

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE



REPORT OF THE
INDIAN TARIFF BOARD
ON THE
CONTINUANCE OF PROTECTION
TO THE SERICULTURE
INDUSTRY

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CONTENTS

Para.	Page No.
1. Reference to the Board	1
2. Scope of the inquiry	1
3. Method of inquiry	2
4. Previous Tariff Board inquiries	2
5. Structure of the industry	4
6. Progress of the industry since the last tariff inquiry of 1938	6
7. Uses	13
8. Estimated Indian demand	14
9. Domestic production	14
10. Quality of the indigenous silk	15
11. Imports	15
12. Existing rates of import duty	16
13. C.i.f. prices and landed costs of imports	17
14. Foreign competition	17
15. Estimate of cost of production and fair selling price	18
16. Comparison of landed cost and fair selling price	19
17. Measure of protection for raw silk, silk waste, silk yarn and silk sewing thread	20
18. Reclassification of tariff item 47	20
19. Measure of protection for silk yarn including silk warps—proposed new tariff item 47	20
20. Measure of protection for yarn spun from silk waste—proposed new tariff item 47 (1)	21
21. Measure of protection for yarn spun from noils—proposed new item 47 (2)	22
22. Measure of protection for silk sewing thread—proposed new item 47 (3)	22
23. Measure of protection for silk fabrics—item 48 (a), (b) and (c)	22
24. Tariff item 48 (a)—Pongee	22
25. Tariff item 48 (b)—Fuji, Boski and Corded	23
26. Tariff item 48 (c)—other fabrics	23
27. Period of protection	24
28. Proposed changes in the tariff schedule	24
29. Other assistance	26
30. Summary of conclusions and recommendations	27
31. Acknowledgements	29

APPENDICES

I. Government of India, Ministry of Commerce, Resolution No. 134-T (19)/47 dated 10th April, 1948	31
II. (a) Tariff Board's questionnaire on sericulture industry	32
(b) Tariff Board's supplementary questionnaire	36
(c) Tariff Board's questionnaire for the handloom industry	37
(d) Tariff Board's questionnaire for importers	39
III. List of persons, firms and associations to whom questionnaires were issued and from whom replies or memoranda were received	40
IV. List of persons who attended the public inquiry and were examined	42
V. (a) Total imports of raw silk and cocoons	44
(b) Imports of silk yarn (made from silk waste)	46
(c) Imports of silk yarn (made from silk noils)	48
(d) Total imports of silk piece goods	50
(e) Imports of silk fabrics mixed with other materials	52
(f) Imports of thread for sewing	54
VI. Statement showing the break-up of landed costs into c.i.f., customs duty and clearing charges, of raw silk 20/22D.	55

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REPORT ON THE SERICULTURE INDUSTRY.

1. (a) Protection was first granted to the sericulture industry by the Indian Tariff (Textile Protection) Amendment Act of 1934, for a period of five years and Reference to the Board. it was subsequently extended for a period of one year by the Indian Tariff (Second Amendment) Act of 1939 pending consideration of the Tariff Board's report of 1938. In the meantime, war broke out and Government deferred their decision on long term policy. The duties on silk and silk manufactures were, however, extended from time to time until 31st March 1947 by the Protective Duties Continuation and Indian Tariff (Amendment) Acts. These duties were again extended up to 31st March 1948 by the Indian Tariff (Amendment) Act, 1947. The same duties continue until 31st March 1949, under the Protective Duties Continuation Act, 1948.

(b) The case of the sericulture industry was referred to the Tariff Board by the Ministry of Commerce, Government of India, in their Resolution No. 134-T(19)47 dated 10th April 1948 (Appendix I) read with paragraph 2 of Resolution No. 28-T(6)46 dated 28th January 1947. The Board was asked to examine in detail the question of protection enjoyed by this industry and report to Government what protective measures, if any, should be continued after the expiry of the present period of protection on 31st March 1949.

2. The mulberry silk industry is mainly confined to some districts in Mysore, a few talukas in Madras, five districts of West Bengal, a few villages in the East Punjab and certain tracts in Jammu and Kashmir State. Besides mulberry silk, other varieties of silk are also produced in India by worms which are either wild or only partly domesticated and which feed on trees and plants other than mulberry. The most important of these silkworms is the tassar worm. This is found in Bihar, Orissa, the Central Provinces and some parts of the Mirzapore district in the United Provinces. The Deputy Director of Industries, Bihar, in his memorandum dated 28th September 1948, estimates the total annual production of raw tassar silk at 100,000 lbs. and tassar waste at about 100,000 lbs. We were, however, unable to obtain the production statistics of tassar silk from the Central Provinces and Orissa. Next in importance among the non-mulberry silkworms are the muga and the eri which are found in Assam. The Deputy Director of Sericulture, Assam, estimates the production of muga silk in 1946-47 at 110,000 lbs. The total production of tassar, muga and eri silk in the country is small and the scope for their development is limited. The Tariff Board inquiries of 1933 and 1938 and the Silk Panel Report of 1947, were, therefore, confined to mulberry silk. At the public inquiry, it was generally agreed that any measure of protection that might be adopted for mulberry silk would be helpful to tassar, muga and eri silk as well. We, therefore, decided to limit the scope of the inquiry to mulberry silk.

3. A press communique was issued by the Board on 5th June 1948, inviting firms, associations and others who were interested in this inquiry to forward their representations to the Board. The Board also issued a detailed questionnaire (Appendix II) to producers, handloom weavers, importers and other interests. A list of persons, firms and associations to whom the detailed questionnaire was issued and from whom replies or memoranda were received is given in Appendix III. Towards the end of August, the Board deputed Mr. S.N. Mazumdar, Superintendent of the Board, to Bangalore to collect available data relating to the industry. And he obtained first-hand information from villagers at important centres of sericulture in the Mysore State. Mr. G.L. Mehta, President, and Dr. B.V. Narayanaswamy Naidu, Member, visited a few centres of the industry in the State from 3rd September to 6th September 1948. They held also informal discussion with several representatives of the industry at Bangalore on 5th September. The Board's Cost Accounts Officer, Mr. R. Sundaram, visited a number of places in the Mysore State, from 31st August to 16th September 1948, and collected cost data. A public inquiry was held on 29th November, 30th November and 1st December 1948, at Bombay. A list of those who attended the inquiry is given in Appendix IV.

4. (A) *Tariff inquiry of 1933*.—In 1932 the Government of India received representations from the sericulture industry that in spite of the High revenue duty inquiries, previous Tariff Board industry that in spite of the High revenue duty on raw silk then in force, it was suffering from severe competition from imported raw silk. A tariff Board was therefore, set up to inquire into the claim of the industry for protection or State assistance. The Board, after due inquiry, submitted its report in May 1933. It recommended that a specific duty of Rs. 2-6-0 per lb. or, alternatively, a duty of 50 per cent. *ad valorem*, should be levied on filature and charka silk as well as silk yarn and that the duty should remain in force for a period of five years. The Board further recommended that duties of 50 per cent., 83 per cent and 60 per cent. *ad valorem* should be levied respectively on cocoons, pure silk fabrics and mixed silk fabrics. It also recommended that a specific duty of Re. 1- $\frac{1}{2}$ per pound should be levied on artificial silk yarn and that the rate of duty on artificial silk fabrics should be raised to the same level as those fixed for pure silk fabrics. Government, however, modified this scheme of protection as follows :

- (i) Raw silk, 25 per cent. *ad valorem* duty plus a specific duty of 11 $\frac{1}{2}$ annas per lb. (In the Select Committee of the Legislature, the specific duty was raised to 14 annas per lb.).
- (ii) Silk yarn, thrown silk and warps—same duty as in (i).
- (iii) Spun silk yarn and noils—25 per cent. *ad valorem* duty.
- (iv) Silk piecegoods—65 per cent. *ad valorem*. (Consisting of specific and *ad valorem* rates).

- (v) Silk mixtures—duties ranging from 25 per cent. ad valorem (or 3 annas per lb. whichever is higher) to 50 per cent.
- (vi) Artificial silk yarn—25 per cent. ad valorem or 3 annas per lb. whichever is higher.

These duties were incorporated in the Indian Tariff (Textile Protection) Amendment Act of 1934.

(B) *Tariff inquiry of 1938.*—As the first period of protection to the industry was due to expire in 1939, the question of the continuance of protection thereafter was taken up and a second inquiry into the industry was made by a Tariff Board in 1938. The Board, after due inquiry, made recommendations as follows :—

- (i) The duty on staple fibre yarn should be altered from 25 per cent ad valorem to 25 per cent. or 8 annas per lb. whichever was higher.
- (ii) The duty on imported raw silk should be increased from 25 per cent. ad valorem plus Re. -[14]- per lb. to Rs. 2-4-0 per lb. ; and the same duty should be levied on imported cocoons and Chinese waste products.
- (iii) The duty on silk fabrics should be increased by 8 annas per lb.
- (iv) The duty on silk net should be the same as that on other silk fabrics.
- (v) The duty on artificial silk yarn should not be altered.
- (vi) The duty on artificial silk piecegoods should be fixed with reference to the quantum of protection required by the cotton textile industry.
- (vii) The duty on silk mixtures containing more than 10 per cent. silk and more than 50 per cent. of silk or artificial silk should be increased by 6 annas per lb.
- (viii) The duty on silk mixtures containing more than 10 per cent. of silk and less than 50 per cent. of silk and artificial silk should be increased by 10 per cent. ad valorem or 4 annas if containing more than 10 per cent. artificial silk, and by 10 per cent. if containing less than 10 per cent. artificial silk.
- (ix) The duty on silk sewing thread should remain unaltered.
- (x) A specific duty of Rs. 3-14-0 per lb. should be imposed on silk yarn.
- (xi) The duty on spun silk yarn should remain unaltered.
- (xii) The duty on yarn made from noils should remain unaltered.

Before Government could take any decision on the recommendations of the Tariff Board, the war broke out, and this altered the situation. Consequently, the duties which were then in force were continued.

5. The structure of the sericulture industry is peculiar in that it does not merely involve the manufacture of goods from readily available raw material. In fact, there are four different stages in the production of silk, namely,

- (i) Cultivation of mulberry ;
- (ii) Rearing of silk worms (including seed and cocoon production) ;
- (iii) Reeling of raw silk from cocoons ; and
- (iv) (a) Silk twisting or throwing or
(b) Spun silk.

The first three stages cover the sericulture or raw silk industry. The following is an account of the different stages of the sericulture industry :—

Mulberry.—Mulberry leaves constitute food for silk worms and the sericulture industry depends on the availability of suitable mulberry leaves. In India, mulberry is cultivated in Kashmir and the East Punjab as 'Tree', and in Mysore, Madras and Bengal as 'Bush'. 'Tree' cultivation is climatically suited to Kashmir and the Punjab and 'Bush' to Mysore, Madras and West Bengal. Bush cultivation is different from other field crops in that although it initially requires a larger amount of capital investment, replanting of bush mulberry is not required for 10 or 15 years. Attempts have also been made in Mysore and Madras to grow tree mulberry though such trees are smaller and have a shorter life than in Kashmir. The initial cost of tree mulberry as a crop is higher than that of bush mulberry owing to the fact that a full supply of leaves is not obtainable till the seventh year, but thereafter the leaves become plentiful resulting in lower costs. The Sericulture Department in Mysore has found by continuous experiments that seedling plantation of tree mulberry gives about 15 per cent. larger yield and that a Japanese graft on Mysore tree 75 per cent more yield than bush.

Silkworm.—(a) **Varieties.**—There are different varieties of mulberry silkworms in India, e.g. indigenous, imported and cross between indigenous and imported parents. Silkworms are either univoltine, bivoltine or multivoltine *i.e.* they breed once, twice or several times a year. The univoltine are suited for rearing in temperate climates like Kashmir, China, Japan, France and Italy while the multivoltine are suited to tropical and sub-tropical climates. Kashmir is the natural home of the univoltine silkworm. The multivoltine species is found in Mysore, Madras and West Bengal. Univoltine races are also reared in Bengal. In Mysore and Madras, imported univoltines are reared for preparing cross-breeds between the Mysore female and the foreign male moth. Madras in raising cross breeds from the Mysore multivoltine and foreign races. The most important varieties that are reared in Bengal are cross-breed like Nismo and Nistid. The amount of raw silk obtained varies with the race of the silk worm, and research is continually being carried

on to improve the yield by the process of selection and crossing. The yield of silk from the univoltine is higher than that from the multivoltine races. The Mysore cross-breed, which is a cross between the Japanese or Chinese univoltine or bivoltine and the ordinary Mysore multivoltine, gives better yield than the indigenous Mysore race. The new cross-breeds evolved in Mysore yield 80 lbs. of cocoons per 100 disease-free layings as against 55 lbs., obtained from the old cross-breeds. The former gives a rendita of 15 as compared with 18 of the latter. (The number of lbs. of cocoon required to produce one lb. of raw silk is called rendita.)

(b) *The seed*.—The egg or seed is the first stage in the life of a silk-worm. For obtaining healthy seed, it is necessary to have properly reared 'seed cocoons'. The Government of Mysore maintain careful control over the production and distribution of seeds, Madras obtains large supplies of Mysore seed-cocoons. Recently, the Madras Government have also started producing seed cocoons in the Government and private farms. In Bengal, nurseries supply the basic seed-cocoons to selected seed-cocoon rearers who produce industrial seed-cocoons and sell them to rearers of worms. Silk worms are subject to a variety of diseases of which the most destructive is known as 'pebrine'. It is, therefore, necessary that the egg or seed should be free from disease. The Pasteur system is the most effective method of preparing disease-free cellular seed.

(c) *Rearing*.—In bush mulberry areas, the rearer sets aside a portion of his agricultural holding for the cultivation of mulberry. Generally mulberry cultivation goes hand in hand with silk worm rearing. It is only in very exceptional cases that mulberry is cultivated only for selling the leaves. In the Kashmir univoltine area, rearing begins with the end of winter. In multivoltine areas like Bengal, Mysore and Madras, the rearing is done five or more times a year. The rearing industry is fundamentally a cottage industry, subsidiary to agriculture, giving occupation to women and children.

(d) *Cocoon production*.—After the hatching of the eggs, the worm rapidly grows and passes through 4 moultings and 5 stages. At the end of each moulting it casts off the skin. Considerable care has to be taken to feed the worm properly and tend it through its various stages. Inadequate or excessive feeding, insufficient ventilation and unsuitable temperature or humidity frequently bring on diseases and cause a destruction of the crop. After the worm has gone through 4 moultings it feeds voraciously and then starts spinning its cocoons. It has then to be taken from the rearing trays and mounted on 'Chandrikes'. These 'Chandrikes' are made of light material which is available locally, and they contain a number of spirals arranged in the form of a bamboo mat which gives necessary space for the worm to spin cocoons. When the cocoons are ready, they are sold for reeling either to the village reeler working on the charka or to a filature.

3. *Reeling*.—Silk reeled on charkas varies considerably in quality depending upon the skill of the reeler. As a general rule, even the best handreeled silk is inferior to filature silk. It may, however, be mentioned

that the bulk of production of Indian raw silk is at present hand-reeled. In Kashmir, silk production is a State monopoly and the rearer is supplied with seed by Government. He has to sell his cocoons to Government at price fixed by Government. The entire output is reeled into silk at the Government filature establishments at Srinagar and Jammu. The raw silk produced in South India and West Bengal is charka-reeled. Mysore first put up a small experimental filature about 25 years ago. About 1938, a joint stock company set up a filature. The industry received considerable stimulus both in Mysore and Kollegal during the war. There are at present 1900 basins in Mysore with a potential capacity of about 4 lakhs, and 500 basins in Kollegal with a capacity of 1 lakh lb. of silk per annum.

4. (a) *Throwing and Twisting*.—Before the raw silk can be used on looms, it has to be converted into silk yarn by twisting the yarn together to make thread of required thickness. This process is known as 'throwing' or twisting. This can be done in a factory which is either a separate unit or an adjunct to a silk weaving mill or a filature. Formerly, all the 'thrown silk' required by the handloom weaving industry used to be 'thrown' by womenfolk at home, but now a large portion of 'thrown silk' is supplied by the 'throwing factories' especially in Bangalore.

(b) *Spun silk*.—All the silk in the cocoons cannot be reeled as 'raw silk'. About 50 per cent of the silk content of the cocoons comes out as 'silk waste' which is the main raw material for the spun silk industry. The spun silk industry is a separate branch and is highly technical. We were informed that most of the filature waste could be utilised for producing good quality spun silk by the Mysore Spun Silk Mills, whereas a large portion of the charka waste could not be profitably utilised because of its extremely inferior quality. To utilise the huge quantity of silk waste, which was being exported in the past, the Government of Mysore established a spun silk mill in 1938, and this has benefited the reeling industry.

6. The progress of the industry since the last tariff inquiry of 1938
Progress of the industry may be described as follows :—
since the last tariff inquiry
of 1938.

(A) *MULBERRY CULTIVATION*.

(a) *Mysore*.—In 1937, the area under mulberry in the State was 26,500 acres, and this increased to about 80,000 acres by 1948. This expansion was due to the stimulus received by the industry during the war years. During the same period, however, the cost of production per pound of mulberry leaf went up from 2 pies to 8.5 pies. Improved methods of mulberry cultivation are being tried out to obtain an increased yield of leaves by the following methods :—

- (i) extension of the seedling plantations ;
- (ii) formation of mulberry topes ;
- (iii) improvement of local mulberry by selection

- (iv) improvement of local mulberry by grafting Japanese mulberry ;
- (v) introduction of foreign varieties ; and
- (iv) manurial experiments.

It is claimed by the Superintendent of Sericulture, Mysore State, that the seedling plantations yield 15 per cent. more leaves than cutting plantation, and that, for this reason, there was a scheme to replace cutting plantations with the seedling plantations so as to reduce costs. Incidentally, this method also yields better food value for silk worms. It is further stated by the Superintendent of Sericulture that a graft between Mysore (stock) and Japan (scion) gives about 7,000 pounds of leaves per acre as against 4,000 pounds of the mulberry grown in rain-fed areas. As the cost of cultivation of mulberry constitutes a major factor in the cost of cocoon, these attempts to increase the yield of mulberry leaves should go a long way to reduce the cost of production of raw silk. But these measures necessarily form part of a longterm plan and cannot, therefore, be expected to show an appreciable result in the immediate future.

(b) *Madras*.—In this Province, during the period 1937-48, the area under mulberry increased from 7,060 acres to 21,633 acres. World War II gave a great stimulus to the industry and since 1939 the area under mulberry cultivation has steadily increased. Generally, all mulberry cultivators in this Province are silk worm rearers also. The estimated cost of cultivation of mulberry per pound has, however, increased from 1.4 pies to about 9 pies. Attempts are being made in the Central Silk Farm, Kollegal, and Hope Silk Farm at Hosur, to obtain a greater yield of mulberry leaves by adopting methods similar to those obtaining in Mysore. The Madras Government Silk Expert has prepared a five-year plan of development for increasing the yield of mulberry. The Silk Panel has recommended that similar plans should be adopted by the other Provinces and States as well.

(c) *Kashmir*.—In his replies to the Board's questionnaire, the Director of Industries, Jammu and Kashmir, has stated that there are 12 to 15 lakh mulberry trees in the State. Mulberry is a reserved tree and belongs to Government. So long as it is green, the leaf of the mulberry cannot be used for any purpose other than for feeding the silk worms. Every rearer is entitled to gather as much leaf as he needs for his silk worms from the mulberry trees standing either on Government lands or in private holdings, the only condition being that he does not remove from private holdings leaf that is needed for similar purposes by the owners themselves of those holdings. Mulberry trees grow all over the country and are scattered in cultivated fields, village commons, pathways and hill slopes. New plantations are developed by the Sericulture Department with the co-operation of the zamindars who are paid a subsidy for the trees raised. The payment is made at the rate of 8 annas per tree successfully planted, payment being spread over a period of years—4 annas in the first year and 1 anna per annum in the following 4 years. The average yield of leaf per mulberry tree is about 80 pounds.

and the average life of a mulberry tree is about 100 years. The total quantity of leaf required for rearing one ounce of silk worm eggs is roughly 2,000 pounds. In order to obtain an increased yield of mulberry leaves, efforts are being made to conduct systematic pruning with modern implements. Since 1938, the Department of Sericulture has intensified its activities in regard to grafting operations on new plantations. The number of selected and grafted trees transplanted in the districts annually is increasing.

(d) *West Bengal*.—During the period 1937-48, the area under mulberry in this Province has increased from 10,000 acres to 15,000 acres. During the same period, however, the cost of leaf per lb. has increased from 0.85 pies (with twigs) to 12 pies (without twigs). The yield of leaf per acre is stated to be 110 maunds of 8,800 pounds (without twigs). Attempts are being made to reduce the cost of mulberry leaves in several ways. The results of manurial experiments conducted in the Central Sericulture Research Station, Behrampore (West Bengal), are being communicated to the workers engaged in sericulture. Sericulturists are being instructed to use mixed and composite manures for the mulberry production with a view to increasing the output of leaves. Seedlings are raised at the Research Station and distributed on a large scale and free of cost among the sericulturists for plantation. Cuttings of a superior variety of mulberry are also supplied free of cost from the Research Station at Behrampore to the different Government farms for plantation.

(B) *SEED PRODUCTION*.

The prosperity of the sericultural industry depends largely upon the supply of disease-free silk worm seeds. The cellular method of preparing layings (according to the ' Pasteur System ') is adopted in all advanced sericultural countries, such as, Japan, Italy, France and China. Considerable progress has been made of late in the matter of supply of disease-free layings and each region has to solve its own problems in regard to seed production to suit local conditions.

(i) *Mysore*.—Mysore has an indigenous multivoltine race which was the only kind that had been reared until cross-breeds were introduced in 1922. Almost the entire rearing of silk worms for producing reeling cocoons is done from the cross-breeds between the Mysore female and the foreign male of Japanese, Chinese or European origin. The use of disease-free cellular seed prepared in Government or State-aided grainages has shown a steady increase and the output of disease-free layings has grown from 100 lakhs in 1937-38 to 205 lakhs in 1947-48. It has been stated that this supply would have increased considerably had it not been for the ' war conditions ' which impeded the work considerably. The total quantity of seed required for 1948-49 is about 4 lakh ounces or about 560 lakhs of disease-free layings. The present seed organisation in Mysore is capable of meeting about 35 to 40 per cent. of the total requirements of the industry. There is, however, a development programme for meeting the entire seed requirements of the industry during the next five years. The actual cost of production of disease-free layings in government grainages in 1947-48 was Rs. 5-13-1 per oz. for cross-breed layings and Rs. 2-5-5 per oz. for Mysore layings. The average cost of production of

crossbreed layings in aided grainages worked out in 1947-48 to Rs. 6-4-49 per oz. as against Rs. 1-6-5 per oz. in 1937-38. Aided grainages received a bonus from the State Government as they form an integral part of the seed organisation of the State. The Mysore Government has at present 19 Government grainages and 135 aided grainages under the control of the Sericultural Department. It is common practice in all sericultural countries to control the silk worm diseases by a Statutory Act. In Mysore, there is an enactment enabling the introduction of control in notified areas. We were informed that this Act would be put into operation very soon. We recommend the adoption of similar legislation in other sericultural regions as well. The most destructive disease against which precautions are necessary is 'Pebrine'. The selection of healthy seed by what is known as the 'Pasteur System' is the only effective way to prevent loss in rearing silk worms. In Mysore, the ryots are taught to take precautions against infection of this disease during the rearing periods. The Sericultural Department also takes care to disinfect the rearing rooms whenever necessary. Loss of crops, due to 'Flacherie', is also common. This could be considerably minimised by the ryots adopting improved methods of rearing silk worms, about which instructions are given by the Department. These improved methods of rearing silk worms are demonstrated periodically in the villages by the staff of the Sericultural Department.

(ii) *Madras*.—In this Province, the worms are reared both from Mysore multivoltine and imported univoltine and bivoltine seeds. Local seeds consist of pure indigenous race, and 'F' hybrids between local and foreign varieties. Indigenous seed cocoons are now produced in the selected seed campaign areas in Hosur Taluk, under careful technical supervision as in Mysore, and large quantities are obtained from Mysore seed cocoons areas also. Foreign races are reared in Government farms and by selected seed rearers for cross-breed seed preparation. The 'F' hybrids are reared by the sericulturists of Kollegal for industrial cocoon production. The average cost of production per ounce of seed in aided grainage works out to Rs. 5-5-6 and in Government grainage to Rs. 4-15-0 as against Rs. 1-5-3 in 1937-38. The number of layings was 51½ lakhs in 1947-48 as against 39½ lakhs in 1937-38. Until 1943, Madras was largely depending upon Mysore for her requirements of local race cocoons. But due to the impetus given by the last war, Madras has built up her own seed organisation consisting of one central grainage in Kollegal with three sub-grainages run by the Government of the Province and 30 aided grainages in several important villages in Kollegal taluk under the close supervision of the Department of Sericulture. According to the Silk Panel Report, about 60 per cent of the seed requirements of the Province is met by internal production and it is hoped that the entire demand of the industry would be met within a period of 2 or 3 years.

(iii) *West Bengal*.—In West Bengal, the rearing of indigenous multivoltine and hybrid races is generally done throughout the year. At present, Nistari, Nistid and Nismo and Borapalu are the races that are being reared. The average cost per ounce of seed at present is approximately Rs. 1-15-6 while the cost of seed in 1937 was calculated at 5 annas per oz. in Government nurseries and 2 annas 6 pice when produced

by the selected rearers. The Silk Panel Report diagnosed that the main problem confronting the industry in West Bengal was to provide a seed supply capable of producing better cocoons.

The Panel Report stated that the introduction of hybrids, namely, Nisnmo and Nistid, by the Department was a marked improvement and promised good results. It may be mentioned that the West Bengal Government has got a scheme of seed organisation designed to meet the entire seed requirement of the Province by programmed development in a period of 5 years. Under the present seed organisation, basic disease-free layings are reared in the Government farms and are distributed to the seed cocoon producers.

(iv) *Kashmir*.—The worms reared in the State are univoltine. Silk worms are reared both from local and imported seed. The production of local seed is organised separately from production of cocoons. There is a separate grainage or seed reproduction which forms an integral part of the Department. Before the war, about half of the requirements of the industry was imported. But during the war, the Department was left to its own resources and according to the Silk Panel Report about 42,025 ozs. were locally produced out of the total requirements of 58,113 ozs. of seed in 1944-45. The present cost of production per ounce of seed produced is Rs. 6-9-9 as against Rs. 1-14-1 in 1936-37. Only disease-free seed which is either produced at the Srinagar Grainage on modern lines or purchased from foreign countries, is distributed among the silk worm rearers. This serves as a safeguard against the most serious and dreaded transmissible disease of silk worms, namely Peb-rine.

(v) The production of cocoons per oz. is an indication of the skill of the rearer, and also the measure of improvement effected. The table below compares the yield at the present time with that in 1931-32 and in 1937-38.

Lbs. cf cocoons per ounce of seed.

	1931-32		1937-38		1947-48
Kashmir	84		62		..
Jammu	86		87		..
Punjab	42—60		60		*80 (Green)
Bengal	48		28	Barapally (Univoltine)	47
		Nismo Nistid	45	Nistari Hybrid	56 80
Madras	60	Pure Mysore	49		*68-67
		Cross breed	69		
Mysore	50	Pure Mysore	50		
		Cross breed	70		77

* Average yield of all varieties.

(C) COCOONS AND REELING.

(i) *Mysore*.—During the period from 1937-38 to 1947-48, production of cocoons rose from 103 lakh pounds to 240 lakh pounds, the number of charkas from 2,500 to 5,000, the production of charka silk from 7.8 lakh lbs. to 14 lakh lbs., the number of filature basins from 54 to 1,900 and the quantity of filature silk from 5,000 lbs. to one lakh lbs., the present potential capacity being 3,75,000 lbs. And, although the average rendita for cocoons in the State as a whole remains unchanged at 18, that for disease-free layings prepared in Government and aided grainages contributing about 35 per cent of the total supply is 17, and for the new cross-breed from Mysorean and Turkish races is 15. Further, the bulk of the charka silk produced is of quality I and II, and the quality of the filature silk, which was formerly of X grade, i.e. much below the international standards, has now improved to D grade.

(ii) *Madras*.—What has been stated of Mysore in respect of the general improvement in production and quality holds good for Madras also. During the period from 1937-38 to 1947-48, the quantity of cocoons produced rose from 14.83 lakh lbs. to 37.96 lakh lbs., and the quantity of silk produced from 1.15 lakh lbs. to 1.43 lakh lbs. per annum.

(iii) *West Bengal*.—In West Bengal, there has been an improvement in the quality of cocoons. During the period from 1937-38 to 1947-48, the quantity of cocoons produced increased from 60 lakh lbs. to 70.8 lakh lbs. The quality of charka silk has also improved and finer varieties of fabrics are manufactured from this silk. The number of filature basins of the Bengal type has increased from 6 to 2,400 basins. The rendita for cocoons produced out of disease-free seeds improved from 20 to 18.

(iv) *Kashmir*.—During the period from 1937-38 to 1947-48, the quantity of cocoons produced decreased from 22 lakh lbs. to 21.22 lakh lbs. and the quantity of silk produced from 1.69 lakh lbs. to 1.27 lakh lbs. Kashmir has suffered the greatest disadvantage with regard to supply of seed which used to come from foreign countries. During the war, Kashmir could not get her normal supply of seeds. And as the local seed could not give the same results as the imported lot, the quality of cocoons was affected during the war. Concentrated attention is being devoted to the improvement of quality and in course of time improvements are expected. As regards the quality of silk reeled in Kashmir, it can produce silk upto international standard quality. The operatives have been trained to produce AAA quality silk, although at present they produce only such quality as is required for the Indian market. Kashmir produces univoltine cocoons of superior quality and it has modern filatures.

(D) FILATURE AND CHARKA SILK PRODUCTION.

At the public inquiry, the advantages and disadvantages of filature and charka reeling, as also the relative production of the silk produced by the two methods, were discussed at length. It was contended by the advocates of charka reeling that it was a cottage industry and that it had stood the test of time and should be effectively safeguarded against

the inroads of filature silk. Others maintained that the future of the silk industry was bound up with the development of filatures. It was pointed out that if the silk industry was to stand competition with foreign imports, the quality of silk produced must be upto the international standards, and that such silk could only be reeled on filatures. As to the policy of the different Provincial Governments in regard to the development of the raw silk industry, the representative of the Mysore Government stated that the view of his Government was that, in order to compete successfully with foreign imports, it was necessary to encourage filatures. But as charka reeling was an established industry, that Government had a programme of improving the production of charka silk also by the use of new designs of charka which provided for the production of higher grade silk. The opinion of the Madras Government was similar to that of the Mysore Government. The representatives of West Bengal were in favour of maintaining the charka reeling industry as, in that Province, it was run more or less on a cottage basis. Regarding the quality of silk, the consensus of opinion was that filature silk was more uniform and its strength and elasticity better than that of the charka-reeled silk. Besides, filature silk was cleaner than charka silk. Filature silk was ideally suitable for higher grade fabrics such as Georgettes, Crepes, Standings, Tafetta and Parachute silk. Charka reeling could not, however, be done away with for a long time to come, as charka silk had a market of its own for producing coarse fabrics. Taking all these factors into consideration, we recommend that charka reeling and filature reeling should be developed side by side in India.

(E) SILK WASTE AND SPUN SILK.

The total production of silk waste in India is estimated to be about 11 lakh lbs. of which 2 lakh lbs. are filature waste and 9 lakh lbs. charka waste. The filature waste is of fairly high quality comparable to that produced in advanced sericultural countries. The charka waste, which is still the bulk of production in India, is of inferior quality involving considerable wastage during the process of its conversion into spun silk yarn. There is only one spun silk mill in the whole of India, this being located in Channapatna (Mysore State). It has 3,000 spindles and consumes about 4.2 lakh lbs. of waste. Another factory had been set up in Bombay during war-time, but it has recently been transferred to Channapatna and is under erection there. The combined capacity of these two mills will be about 8 lakh lbs. of waste. But even with this expansion in the capacity of the spun silk industry, there will be left over a surplus of 3 lakh lbs. of waste silk, and it is necessary that suitable steps should be taken to export this surplus.

It was pointed out by the representatives of the spun silk mills that, as the bulk of the waste produced in India was from charka, the percentage of yield was low and the cost of production relatively high, and the yarn produced was also of inferior quality. With a view to reducing cost of production and improving the quality of yarn, it was asked that reasonable quantities of high grade filature waste should be imported from foreign countries and that these imports should be exempted from the present duty of 30 per cent. This matter was considered at the

public inquiry but the consensus of opinion was that this would come in the way of improving the quality of Indian waste and that therefore the mills should not be allowed to import foreign waste free of duty. It was also brought to the notice of the Board that, as recommended by the Silk Panel, the Government of Bihar intended to establish a mill for consuming Tassar silk waste and also Mulberry silk waste from West Bengal and Kashmir and Muga waste from Assam.

(F) *HANDLOOM WEAVING INDUSTRY.*

Although there has been a perceptible increase in the number of silk mills since 1938, the bulk of the raw silk produced by the sericultural industry in India is still consumed by the handloom industry. The Board, therefore, felt that while considering the case of protection for the sericulture industry, the incidence of such protection on the handloom industry should be fully investigated. The silk weaver is found all over India. According to the Report of Fact Finding Committee (Handloom and Mills) 1942, there were 3,21,354 looms in India in 1941 exclusively used for producing silk fabrics. There are about 2,000 families at present engaged in the silk weaving establishments in Mysore and the approximate annual production of pure silk fabrics there is estimated at about 1,500,000 yards per year. In Bengal, there are about 4,000 persons engaged in the silk weaving industry, the annual production of pure silk fabrics being estimated at about 30,04,400 yards. The Secretary, Silk Fabrics Standardisation Board, Srinagar, estimated the annual production of silk goods in Kashmir at 60 to 75 lakh yards. There are about 3,500 handlooms in the State. Of this, fairly large number of handlooms produce silk fabrics.

7. In peacetime, silk is a useful material complementary to cotton and artificial silk. Besides the normal use of silk fabrics as an article of dress, it is useful also for :-

- (i) insulating cables ;
- (ii) the flour mills ;
- (iii) tyre manufacturing industry ; and
- (iv) typewriter ribbon industry.

Large quantities of silk insulation fabrics and threads for fine wire covering, for electrical apparatus, for cartridge bag fabrics and for Balting cloth are manufactured all over India. Silk is a vital necessity in war. Immediately after the entry of Japan into the last war, Government decided to develop and expand the silk industry in India so that silk textile component for the production of man-dropping parachutes could be manufactured in the country. The expansion scheme carried out by the late Supply Department and the Government Parachute Factory was started in Kanpur to manufacture man-dropping parachutes. Manufacture of these parachutes requires raw silk of high quality. In order to improve the quality of raw silk, fully equipped conditioning houses were established in all the silk producing areas for the purpose of testing and grading silk. Thousands of silk parachutes of 28 feet diameter were made in the Government Parachute Factory and used during World War II.

8. The Silk Panel set up by Government estimated that in the pre-war period the annual demand for raw silk and silk fabrics was 10 million lbs., and that in the post-war period it was 12 million lbs. for pre-partition India. The Panel's estimates were discussed at length at the public inquiry. Some of the representatives were of the view that there had been an increase in the demand due to the increased purchasing power of the people while others stated that there had not been any appreciable increase in the use of raw silk since pre-war days. The latter suggested that there had been a tendency on the part of the consumers to replace silk with rayon and that, while the purchasing power of the people had considerably increased, the price of raw silk had also gone up. Moreover, this increase in the purchasing power could not be utilised for luxury goods, since there had been an increase in the cost of the necessities of life. The Kashmir Government representative informed the Board that the demand for raw silk in Kashmir had increased from one lakh lbs. to three lakh lbs. To get at the correct estimates of consumption both of raw silk and silk fabrics, the Board decided to treat them separately. The average of the imports of raw silk during the years from 1934-35 to 1938-39 was about 4 million lbs. per annum for pre-partition India. During the period of war and thereafter, imports dropped considerably. However, the fact that imports of raw silk had been restricted was also taken into consideration. Moreover, allowance had also to be made for the loss of demand due to partition of the country. Taking all these factors into consideration, the demand for raw silk was estimated at 4 million lbs. a year. As regard silk fabrics also, the same factors were taken into consideration and it was estimated that the present demand would be 30 million yards or, on the basis of 6 yards to a lb., 5 million lbs. of silk fabrics per annum.

9. According to the Officer on Special Duty (Silk Board), Government of India, the estimated production of filature and charka silk in India in 1948 was as follows —

							in lbs. ■
Kashmir	..	..	..	..	..	..	140,000
Mysore	..	..	..	..	..	..	1,400,000
Madras	..	..	..	..	..	..	150,000
West Bengal	..	..	..	..	..	..	400,000
East Punjab	..	..	..	..	..	..	15,000
Assam	..	..	..	..	..	..	15,000
Bombay	..	..	..	..	..	..	1,000
						Total	2,121,000

These figures were read out during the public inquiry and it was suggested that the production of silk in Jammu Province amounting to 20,000 lbs. should also be taken into account. Adding this figure, it was estimated that the production of raw silk in India was 2,141,000 lbs. It was further agreed that out of this total production, 3.5 lakh lbs. of silk was produced by filature and the balance of about 18 lakh lbs. by charka.

10. The multivoltine cocoons of Mysore and Madras yield silk of excellent natural qualities such as lustre, colour,

Quality of the indigenous silk. Almost on a par with this is the Bengal silk. As the bulk of the silk produced in these areas is from charkas, it lacks uniformity, cleanliness and tenacity. In Mysore and Madras there are now large filatures also and the silk produced by them is stated to have reached in some cases grade D as fixed by the international standards. With further training and experience gained in these filatures, the standard of their production of silk should improve further. Kashmir silk, however, is all filature-reeled and is almost on a par with foreign silk. With improved reeling in Kashmir, it is possible to obtain high grade silk conforming to the international standards. According to the international standards, the following are the grades :—

AAA
AA
A
B
C
D
E
F
G.

Most of the silk produced in India is of rather low quality according to the international standard. Although in some cases, the quality has been up to the International 'D' grade, the general bulk produced is even below International 'G' grade. While it is recognised that efforts are being made by the Provinces of West Bengal and Madras and by the States of Kashmir and Mysore to improve the quality of the raw silk, we recommend that more attention should be paid to the quality than at present. The Silk Panel has also recommended that the quality of Indian raw silk must be improved according to the prescribed International grades and that, in order to achieve this, Raw Silk Test Houses should be established in all the Provinces and States which are interested in sericulture industry. This question of establishing Regional Conditioning Houses as well as a Sericultural Research Station should be taken up by the Central Silk Board at an early date.

11. Statistics of imports into India since 1936-37 of (a) total silk, raw and cocoons : (b) silk yarn made from silk waste : (c) silk, yarn made from silk noils ; (d)

Imports. silk piecegoods (including ponjee, fuji, boseki, corded (spun) silk, crepes, georgettes, satins and tafettas) ; (e) goods of silk mixed with other materials and (f) sewing thread, are shown in Appendices V (a) to V(f). Imports of silk and its fabrics were heavily curtailed during wartime, and after the termination of the war, a few consignments of imports were allowed to come in. In February 1948, the Government of India banned the imports of silk, raw and cocoons, and silk yarn. According to the principles governing the grant of import licences announced by Government in July 1948, no licence was to be granted for the import of silk and its fabrics. On 15th September 1948, however, Government decided to issue licences, subject to mone-

tary limits, for imports of silk and silk fabrics from sterling and soft currency areas and from Sweden and Switzerland. Subsequently, there was a progressive relaxation of import control and on 5th November 1948, Government decided to issue licences subject to monetary limits for the import of silk fabrics from sterling and soft currency areas. On 9th November 1948, Ordinance No. XXXIII of 1948 was promulgated so as to increase the customs duties leviable on certain luxury articles including silk fabrics, and silk fabrics were put on Open General Licence. By this Ordinance, the surcharge on the import duty was increased from 1½th to 1½.

12. Raw silk and silk fabrics are covered by item Nos. 46, 46(1), 47, 47(1) and 48 of the first schedule to the Existing rates of Import Indian Tariff Act. XXXII of 1934 (as in operation on 1st January, 49). The relevant extract from the Indian Customs Tariff (29th issue) is given below :—

Item No.	Name of article	Nature of duty.	Standard rate of duty.	Preferential rate of duty if the article is the produce or manufacture of :			Duration of protective rates of duty.
				The UK	A Br. colony	Burma	
46	Silk, raw (excluding silk waste and noils) and silk cocoons.	Protective.	25 per cent ad valorem plus 14 annas per lb. plus one-fifth of the total duty.	..	..	12 per cent ad valorem.	March 31st 1949.
46 (1)	Silk, waste and noils	Do.	39 per cent ad valorem.	..	..	12 per cent ad valorem.	Do.
47	Silk yarn including thrown silk warps and yarn spun from silk waste or noils but excluding sewing thread *	Do.	25 per cent ad valorem plus 14 annas per lb. plus one-fifth of the total duty.	..	..	12 per cent ad valorem.	Do.
47 (1)	Silk sewing thread	Do.	30 per cent ad valorem.	..	..	12 per cent ad valorem.	Do.
48	Fabrics not otherwise specified containing more than 90 per cent of silk including such fabrics embroidered with artificial silk.	Do.	30 per cent ad valorem.	..	..	12 per cent ad valorem.	Do.
(a)	Pongee	Do.	50 per cent ad valorem plus Re. 1 per lb. plus one-half of the total duty.	..	..		Do.
(b)	Fuji, boseki and corded excluding white cord.	Do.	50 per cent ad val. plus Re. 1/8/- per lb. plus one-half of the total duty.	..	..		Do.
(c)	Other sorts † ..	Do.	50 per cent ad val. plus Rs. 2 per lb. plus one-half of the total duty.	..	..		Do.

* Under Government of India, Finance Department (Central Revenues) Notification No. 33, dated 22nd June 1935, as amended subsequently, noil yarn is exempt from so much of the duty as is in excess of 30 per cent ad valorem.

† Under Government of India, Finance Department (Central Revenues) Notification No. 33, dated 22nd June 1935, (1) Chinese silk piecegoods, the following namely Ghat-Pote, plain and flower, and Gauze, plain and flower, are liable to duty at 50 per cent ad valorem plus Re. 1 per lb. plus one-half of the total duty and (2) Paj, all sorts are exempt from so much of the duty as is in excess of 90 per cent ad valorem.

NOTE.—Duration of protective rates of duty was extended from 31st March 1948 to 31st March 1949 by the Protective Duties Continuation Act, 1948, as published in the Gazette of India Extraordinary dated 31st March 1948.

13. Appendix VI gives a statement of recent c.i.f. prices of raw silk imported in' o India. The statement also contains the latest quotations received from Italy, Japan and Shanghai, which indicate the present trend of prices in the foreign markets. The most popular and representative type of silk used in this country is 20/22 Deniers. It was agreed at the public inquiry that the latest and lowest c.i.f. price of imports of Italian raw silk, 20/22 Deniers, as given by the Collector of Customs, Bombay, viz., Rs. 12.3.5 per lb., should be taken as the basis of comparison. The latest and the lowest landed cost of import of this silk, together with the date and source of the importation, are given in the following table :-

				Origin of import Italy 20/22 Deniers 'A' Grade	Date 12.9.1948
(a) C.i.f. price	..	..	..	Rs. ..	Rs. A. P. 12 3 5
(b) Customs duty 25% <i>ad valorem</i>	..	..	..	3 0 10	
<i>plus a specific duty of 14 as. per lb.</i>	..	..	..	0 14 0	
<i>plus surcharge 1/5th</i>	..	..	..	0 12 7	4 11 5
(c) Clearing charge (approximately 2½%)	..	..	..		0 1 11
(d) Landed cost	..	..	..	..	17 0 9

14. The question of foreign competition was discussed in detail at the public inquiry. China does not offer competition at present. Competition from Japan is also Foreign competition. not serious at present as there is effective regulation of the export of raw silk from that country. Italy, however, offered a severe competition to the sericulture industry in India, and we were informed that the present slump in the silk market was due to apprehension of growing imports from Italy at low prices. The Board attempted to ascertain the factor responsible for the comparatively low prices of Italian raw silk. It was suggested by the Indian manufacturers that Italian raw silk enjoyed the benefit of State aid in the shape of a bounty and that this factor accounted to a large extent for its lower price. We were, however, informed by the India Supply Commissioner, London, in his letter B/Tariff dated 23rd November 1948, that the Commercial Attaché, Italian Embassy, London, had stated that there was only a nominal subsidy granted to the cocoon pool to ensure minimum prices to the cocoon growers. The Commercial Attaché also estimated the annual exportable surplus of raw silk, and silk fabrics at 22,05,000 lbs. and 4,41,000 lbs. respectively. He suggested in the same letter that if the conditions of the import trade in India were liberalised, Italy would be able to export much greater quantities

of raw silk and silk fabrics to this country. It was further stated in the letter that there was no inflationary trend in Italy and that the general trend of prices was expected to be stable. In the light of these facts, it appears that Italy is likely to offer severe competition to Indian sericulture.

15. (a) *Scope of costing.*—As Mysore is the largest silk producing area in the country, the Board decided to take the costs of production in that area as representative. Consequently, the Board's Cost Accounts Officer investigated the costs of production of raw silk, thrown silk, silk fabrics and spun silk yarn in the Mysore State.

(b) *Method of collecting cost data.*—In the rearing, charka reeling and handloom sections, no systematic books of accounts were maintained with the result that the Cost Accounts Officer had to build up costs from whatever data were available. In the case of filature reeling, throwing, powerloom and spun silk sections, however, books of accounts were maintained and it was possible to construct fairly accurate cost estimates from the data contained therein. The Cost Accounts Officer made a tour of the areas where the cultivation of mulberry leaf, rearing of cocoons, production of disease-free layings, reeling on the country charkas and production of silk fabrics on the handlooms were carried out and collected cost data from the parties concerned in respect of each section of the industry.

(c) *Cost of cultivation of mulberry leaf.*—In Mysore the bush type of mulberry is cultivated, and the costs of cultivation per lb. of leaf in September 1948 were as follows:—

Nature of cultivation.	Area under cultivation.	Cost of leaf per lb.
Rain-fed	65,000 acres	8 pies
Shallow well irrigation	12,000 acres	8.5 pies
Deep well irrigation	3,000 acres	10.32 pies

The weighted average of the cost of leaf worked out to 8.16 pies per lb. The corresponding cost of leaf per lb. calculated in 1938 as estimated by the previous Tariff Board had ranged from 2.4 pies to 2.9 pies. In other words, the cost of cultivation had gone up to nearly 3 or $3\frac{1}{2}$ times of what it was in 1938.

(d) *Cost of production per pound of cocoons.*—The representatives of the Mysore Sericulture Industry claimed that, in estimating the cost of production, a remunerative price should be allowed for cocoons, and this was put at Rs. 1-9-3 per lb. as against the current cost of Rs. 1-3-7 per pound. In view of the inflationary conditions in the country, the Board, however, decided to take the current cost of cocoons, i.e., Rs. 1-3-7 per pound.

(e) *Cost of reeling.*—It was agreed at the public inquiry that whatever measure of protection was decided upon for filature silk would be sufficient for charka silk as well. For estimating the reeling charges, cost of two units were taken, namely, those of the Government filature at Kankanhalli and the Mysore Silk Filature, and the average charges for these two units came to Rs. 8-2-5 per pound. It was agreed that the rendita shou'd be taken at 18.

(f) *Fair selling price per lb. of filature silk produced in Mysore.*—On the basis of the cost of cocoons at Rs. 1-3-7 per lb., reeling charges at Rs. 8-2-5 per lb., interest on working capital at 4 per cent. on 3 month's cost of production and return on fixed capital at 10 per cent. on the gross block, the fair selling price worked out to Rs. 31-12-0 per lb. as shown below :—

						Rs. A. P.
Cost of 18 lbs. of cocoons at Rs. 1-3-7 per lb.	..	..	..	..	..	22 0 6
Reeling charges	..	..	..	..	..	8 2 5
Interest on working capital at 4 per cent. on 3 months' cost of production	..	..	..	..	..	0 4 10
Return on fixed capital at 10 per cent. on the gross block	..	..	..	..	..	1 4 8
Fair selling price	..	..	..	..	..	31 12 5

Or, say, Rs. 31-12-0 per lb.

16. The following statement gives a comparision between the landed cost of Italian silk, 20 x 22 Denier, and fair selling price. and the fair selling price of indigenous silk, per lb. :—

						Rs. A. P.
(a) C.i.f. price ..	..	..	..	..	..	12 3 5
(b) Duty—						
						Rs. A. P.
Ad valorem 25 per cent.	..	..	..	..	..	3 0 10
Specific duty 14 annas per lb.	..	..	..	..	..	0 14 0
Surcharge 1/5th ..	..	..	..	..	..	0 12 7
						4 11 5
(c) Clearing charge (approx. 2½%)	..	..	..	..	..	0 1 11
(d) Landed cost	..	..	..	..	..	17 6 9
(e) Landed cost without duty	..	..	..	..	..	12 5 4
(f) Fair selling price of indigenous raw silk	..	..	..	..	..	31 12 0
(g) Difference between fair selling price and landed cost without duty						19 6 8
(h) Difference between fair selling price and landed cost without duty as percentage of a.i.f.	..	..	..	..	..	159%

17. (a) *Raw silk*.—*Item 46 of the Tariff Schedule*.—We recommend

Measure of protection for raw silk, silk waste, silk yarn and silk sewing thread. that the difference of Rs. 19-6-8 per lb. between the landed cost ex-duty of imported silk and the fair selling price for indigenous silk should be covered partly by *ad valorem* and partly by specific duties, as shown below :—

					Rs. A. P.
30 per cent ad valorem on the c.i.f. price of Rs. 12-3-5	..	..	..	..	3 10 7
Specific duty per lb.	..	..	..	..	15 12 1
				Total	19 6 8
OR, SAY					
30% <i>ad valorem</i> plus specific duty of	..	..	..	..	15 12 0
					per lb.

If, at any time, the c.i.f. price of imported silk falls below Rs. 12-3-5 so as to render the scheme of protection ineffective, Section 4(1) of the Indian Tariff Act of 1934 should be invoked to raise the specific duty by a suitable amount.

(b) *Silk Waste and Noils*.—*Item 46(1) of the Tariff Schedule*.—For some years past, there have been no imports of noils and silk waste, and consequently, it was impossible to determine the exact measure of protection based on the c.i.f. prices for this item. As a precautionary measure, however, we recommend that the present rate of duty, namely, 30 per cent *ad valorem*, on this item, should be continued. No change is called for in the existing classification of this item.

18. The present tariff item 47 comprises three different kinds of yarn, viz., (1) silk yarn including thrown silk warps, (2) yarn spun from silk waste and (3) yarn spun from noils. These three kinds of yarn differ in quality and costs of production and they require different measures of protection. We, therefore, recommend that the present tariff item 47 should be split up into three items, viz., 47—silk yarn including thrown silk warps, 47(1) yarn spun from waste silk and 47(2) yarn spun from noils. If this recommendation is accepted, the present tariff items 47(1), 47(2), 47(3), 47(4), 47(5), 47(6), 47(7), and 47(8), should be re-numbered as 47(3), 47(4), 47(5), 47(6), 47(7), 47(8), 47(9) and 47(10).

19. After examining the available cost data, the Board estimated Measure of protection for the fair selling prices of two popular types of silk yarn including silk thrown silk as follows :—

				Organzinc	Tram
				Rs. A. P.	Rs. A. P.
Cost per lb. of silk	..	..	..	31 12 0	31 12 0
Wastage at 5%	..	..	..	1 9 4	1 9 4
Manufacturing cost	..	..	..	2 15 4	1 5 0
Return at 6 pies in the Rupee	..	..	..	36 4 8	34 10 4
				1 2 2	1 1 4
or, say	..	..	..	37 6 10	35 11 8
				37 7 7	35 12 0

As there have been no recent imports of silk yarn (including thrown silk warps), it was not possible for the Board to determine the exact measure of protection due to silk yarn. Since, however, silk yarn (including thrown silk warps) is based upon raw silk, and since the throwing of silk involves a wastage of 5 per cent in the raw silk used, a compensatory duty equal to 105 per cent of the proposed duty on raw silk would be due to silk yarn (including thrown silk warps). This would work out to Rs. 20-6-2 (i.e. Rs. 19-6-8 plus 5 per cent of Rs. 19-6-8). Since, however, the difference between this amount of Rs. 20-6-2 and the proposed duty of Rs. 19-6-8 on raw silk is only Rs. 0-15-6, we recommend that the same rate of duty should be levied on silk yarn (including thrown silk warps) as on raw silk, *viz.*, 30 per cent ad valorem plus Rs. 15-12-0 per lb.

20. At the moment the chief item that is competing with the indige-

**Measure of protection for
yarn spun from silk waste—
proposed new tariff item
47 (1).** nous yarn is 2|120s spun silk yarn. The fair selling price for this is estimated at Rs. 22-15-6 per lb., and the details of landed cost are as follows :—

	Rs. A. P.					
C.i.f. price	15	5	4			
25% duty	3	13	4			
specific duty	0	14	0			
1/5th of total duty	0	15	1			
Clearing charges				5	10	5
Landed cost with duty				0	2	5
Landed cost without duty				21	2	2
				15	7	9

A comparison of the landed cost ex-duty with the fair selling price indicates a duty of Rs. 7-7-9. This works out to 49 per cent on c.i.f. price. In this connection, however, there is a special source of danger to be safeguarded against, *viz.*, the possibility of displacement of raw silk by spun silk yarn. Although spun silk yarn is inferior to raw silk in certain properties, yet it can be used in the manufacture of broad cloth such as shirtings, sarees and coatings. Unless the price of spun silk yarn is brought fairly close to that of raw silk, there may be considerable displacement of raw silk by spun silk yarn. Experience has shown that so long as the price of spun silk yarn is 12 per cent to 18 per cent lower than that of raw silk, spun silk yarn does not replace raw silk. The present fair selling price for spun silk yarn of 2|120s is Rs. 22-15-6 whilst that of raw silk is Rs. 31-12-0. As the maximum extent to which displacement is likely to occur will be 50 per cent by weight, the difference in price to be maintained will be half of Rs. 31-12-0 minus Rs. 22-15-6, i.e. 8-12-6|2 or Rs. 4-6-3, or, say, Rs. 4-6-0 which works out to 28 per cent of the c.i.f. price. After due consideration, the Board decided that an additional 10 per cent duty should be sufficient to cover this competition. The total duty leviable therefore will be 49 per cent

plus 10 per cent. i.e., 59 per cent. On the basis of current c.i.f. prices the duty required will be Rs. 9-0-9 or say Rs. 9-0-0. It is recommended that this duty should be levied as under:—

								Rs. A. P.
30% ad valorem	..	..	..	..	..	..	..	4 9 7
Specific duty ..	..	..	..	..	..	..	..	4 6 5
						i.e.	..	9 0 0 per lb.

OR, SAY,
30% ad valorem *plus* a specific duty of Rs. 4-8-0 per lb.

21. No imports of noil yarns have been received for some years past. It is, however, apprehended that in the near future these yarns may be imported. It is, therefore, recommended that a duty of 30 per cent. ad valorem should be levied on noil yarns.

Measure of protection for
yarn spun from Nolls—
proposed new item 47 (2).

22. In recent years, there have been no imports of silk sewing thread into India. We recommend that the existing rate of duty, *viz.*, 30 per cent. ad valorem should be continued.

Measure of protection for
silk fabrics—items 48 (a),
(b) and (c).

23. The varieties of silk fabrics imported may be broadly classified into three types, *viz.*,

- (a) *Pongee*—Plain silk cloth containing over 90 per cent. of silk and with very little twist. The value of silk contained in the fabric forms 60 per cent. of the total cost of fabric.
- (b) *Fuji, Boseki and corded (excluding white cord)*—This cloth is made of spun silk yarn and used in making shirts, coats and sarees. The value of silk in the fabric forms about 50 per cent. of the total cost of the fabric.
- (c) *Other Fabrics*—These comprise finer varieties such as georgettes, crepes, etc., containing more than 90 per cent. silk. The value of silk in the fabric will form 70 per cent of the total cost of the fabric.

The protection of silk fabrics is intended to compensate the manufacturers of such fabrics for the increase in the cost of raw silk due to the protection of raw silk. This protection is only compensatory and the amount of protection necessary for each type of silk is indicated in the following three paragraphs.

24. The duty proposed for raw silk is Rs. 19-6-8 per lb. In the Tariff Item 48 (a)— manufacture of cloth, 1-1/3 lbs. of silk is required per lb. of cloth. The corresponding duty on 1-1/3 lbs. of silk will be Rs. 25-14-9. This is the compensatory duty

required per lb. of fabric. The c.i.f. price per lb. of fabric is calculated as under :

	Rs. A. P.
The c.i.f. price of silk is	12 3 5 per lb.
1 1/3 lbs. are required to produce 1 lb. of fabric.	
Cost of silk per lb. of fabric	16 4 7
As the value of silk in Pongee forms 60% of the total cost, the c.i.f. price of Pongee may be estimated at Rs. $16\frac{4}{7} \times \frac{10}{6}$	27 2 2
We recommend that the requisite duty of Rs. 25-14-3 per lb. should be levied as under :	
75% ad valorem on Rs. 27-2-2	20 5 8
Specific duty	5 8 7
	<hr/> 25 14 3

OR, SAY

75% ad valorem and a specific duty of Rs. 5-8-0 per lb.

25. The duty recommended on spun silk yarn is Rs. 9. per lb. The duty on 1-1/3 lbs. of silk yarn required to
Tariff item 48 (b) Fuji, produce 1 lb. of fabric will be $Rs. 9 \times 4\frac{1}{3} =$
Boseki and corded. Rs. 12. This is the compensatory duty required for this fabric. The c.i.f. price for these fabrics is estimated as under.

C.i.f. price of spun silk yarn is Rs. 15-5-4 per lb.

1 1/3 lbs. are required per lb. of fabric.

... C.i.f. price of 1 1/3 lbs. of spun silk yarn Rs. 20 7 1

This is the value of the silk content in Fuji, Boseki and corded. As the value of silk element forms 50 per cent. of the total cost of the fabric the c.i.f. price of this fabric may be estimated at $Rs. 20\frac{7}{1} \times 2 =$ Rs. 40-14-2. The required duty of Rs. 12 per lb. is approximately equivalent to an *ad valorem* duty of 30 per cent. on the c.i.f. price of Rs. 40-14-2. We recommend that a protective duty of 30 per cent. *ad valorem* should be levied on this fabric.

26. Following on the same lines as above, the duty required for these fabrics will be Rs. 25-14-3 based on the duty Tariff item 48 (c)—other fabrics. of Rs. 19-6-8 per lb. of silk and assuming that 1-1/3 lbs. of silk are required per lb. of fabric. This is the duty to be levied and to be related to the c.i.f. price for

these fabrics. In the absence of c.i.f. price for thrown silk which should form the basis, we have adopted the c.i.f. prices for spun silk yarn as the only alternative. Based on the c.i.f. price of Rs. 15-5-4 for spun silk yarn, the value of silk required for these fabrics will be $1\frac{1}{3} \times 15\frac{5}{4} =$ Rs. 20-7-1. This is the value of silk in 1 lb. of fabric. As the value of silk in these fabrics forms 70 per cent of the cost of fabrics, the c.i.f. price of this fabric may be estimated at $10\frac{7}{10} \times 20\frac{7}{10} =$ Rs. 29-3-3 per lb. We recommend that the required duty of Rs. 25-14-3 should be levied as under :—

							Rs. A. P.
75% ad valorem on c.i.f. of Rs. 29-3-3	..	..	..	..	..	..	21 14 5
Specific duty ..	..	..	..	..	..	..	3 15 10
							25 14 3

OR, SAY

75% ad valorem and a specific duty of Rs. 4-0-0 per lb.

27. Sericulture is a primary industry closely linked up with agriculture. Mulberry cultivation, cocoon rearing and charka reeling of silk are carried on by the small cultivators in the villages. Consequently, the process of improvement in this industry will be a comparatively slow one. Further, the difference between the costs of production of raw silk in India and in foreign countries being appreciable, the Indian sericultural industry will require protection for a number of years until its cost of production is reduced to the level of cost in foreign countries. The cost of production of raw silk in India has, however, gone up very high in the last few years. This is largely due to the inflationary trends of costs and prices in this country. We expect that the level of cost and prices in the country will gradually fall and that in about three years' time, the cost of production of raw silk will come to a reasonable level. But it is necessary that during this period of three years, the industry should receive adequate, even if high, protection, in order to facilitate its re-organization on an efficient basis. We, therefore, recommend that the proposed duties on the various items of raw silk, silk yarn and silk fabrics (vide paragraphs 17 to 26) should remain in force until 31st March 1952.

28. If our proposals regarding the protective duties on silk and silk fabrics are accepted, the relevant items of the tariff schedule should be changed as indicated in the table below :—

Proposed changes in the tariff schedule.

Existing tariff item No.	Name of article.	*Existing rate of duty.	Proposed tariff item No.	Name of article.	Proposed rate of duty.	Duration of protective rate of duty
46	Silk, raw (excluding silk waste and noils, and silk cocoons.	25 per cent ad valorem plus 14 As. per lb, plus one-fifth of the total duty.	46	Silk, raw (excluding silk waste and noils, and silk cocoons.	30 per cent ad valorem plus Rs. 15.12/- per lb.	March 31st 1932.
46 (1)	Silk, waste and noils ..	30 per cent ad valorem ..	46 (1)	Silk, waste and noils ..	30 per cent ad valorem ..	Do.
47	Silk yarn including thrown silk waste and yarn spun from silk waste or noils, but excluding sewing thread.	25 per cent ad valorem plus 14 As. per lb, plus one-fifth of the total duty.	47	Silk yarn including thrown silk waste but excluding sewing thread.	30 per cent ad valorem plus Rs. 15.12/- per lb.	Do.
47 (1)	Silk sewing thread ..	30 per cent ad valorem ..	47 (1)	Yarn spun from silk waste excluding sewing thread.	30 per cent ad valorem plus Rs. 4.8/- per lb.	Do.
			47 (2)	Yarn spun from noils excluding sewing thread.	30 per cent ad valorem ..	Do.
			47 (3)	Silk sewing thread ..	30 per cent ad valorem ..	Do.
			48	Fabrics not otherwise specified, containing more than 90 per cent of silk, including such fabrics embroidered with artificial silk—	....	....
			(a) Pougee ..	..	..	75 per cent ad valorem plus Rs. 5.84/- per lb.
			(b) Fuji, Boekhi and corded (excluding white cord),	50 per cent ad valorem plus Rs. 18/- per lb, plus one-half of the total duty.	30 per cent ad valorem ..	I
			(c) Other sorts ..	50 per cent ad valorem plus Rs. 2/- per lb, plus one-half of the total duty.	75 per cent ad valorem plus Rs. 4/- per lb.	D

• Existing protective duties are due to expire on March 31st, 1949.

29. (a) *Sericultural research*—In order to improve the efficiency of the sericultural industry in all its branches, Other assistance. it is essential that intensive and continuous research should be carried out in the Provinces and States concerned. We recommend that the Central, Provincial and State Governments should provide adequate funds and other facilities for this purpose.

(b) *Central seed station for foreign races*—There should be a central seed station for univoltine and bivoltine races of silk worms to enable the Provinces and States to obtain their requirements of seeds for cross-breeding purposes. For this, and also with a view to minimising our dependence on foreign countries for univoltine and bivoltine races of silk worm seeds, we recommend that such a station should be set up by the Central Government at a suitable place.

(c) *Control of silk worm diseases*—Silk worm cocoons are prone to various diseases. Intensive investigation is required to find out the causes and lay down suitable remedies with a view to eradicating those diseases. We recommend that the recently established Central Silk Board should arrange for such investigations and undertake to pass on the result of such investigations to the Provinces and States. We also recommend that suitable legislative measures should be enacted for controlling silk worm diseases.

(d) *Legislation regarding silk worm seed*—The healthy development of the sericultural industry depends on the use of disease-free silk worm seeds. We recommend that the sericultural Provinces and States should take steps to enlarge the supply of such seeds. We also recommend that the use of such seeds should be made compulsory by stages.

(e) *Improvement in charka reeling*—It was brought to our notice that the reeling of silk on the existing types of charka was defective in that the silk was not properly consolidated and its gum was not thoroughly extracted. Consequently, the charka-reeled silk did not have good 'winding' quality. We recommend that the sericultural departments in the Provinces and States concerned should take steps to effect improvements in the charka so as to eliminate these defects.

(f) *Standardisation and grading of silk*—In order to improve the marketing of raw silk, it is necessary that it should be standardised and graded. This requires the establishment of silk conditioning and testing houses. There is already one such house in Chennapatna (Mysore State) and another in Calcutta. We recommend that two more conditioning and testing houses should be set up, one in Madras and another in Kashmir. With the establishment of these four houses, it should be possible to introduce compulsion, by stages, requiring all silk to be tested, standardised and graded before being placed on the market. This will lead to an improvement in the quality of silk, facilitate its marketing and also enable the sericulturist to obtain a better price for his silk.

(g) *Facilities for training in, and the study of, sericulture*—In order to disseminate the knowledge of sericulture amongst the rural people who are engaged in this industry, it is necessary that a large number of young men should be properly trained in sericulture. We recommend that the universities in those Provinces and States, where the sericultural industry is localised, should include in their curriculum of education sericulture as a course of study for the B.Sc. degree in sericulture. Such subjects as mulberry cultivation, cocoon breeding and rearing, silk reeling, testing and conditioning, silk throwing and weaving and silk dyeing and printing, should be included in the syllabus. In this curriculum, such subjects as applied mathematics, physics, mechanics, chemistry, elementary engineering, machine drawing, mill design and management may be included.

(h) *Facilities for the training of experts in foreign countries*.—The Sericultural Department in the Indian Provinces and States are short of fully trained silk experts. It is, therefore, necessary that arrangements should be made for securing necessary facilities for the training of a few young men in Japan, which is the most advanced sericultural country in the world. Similar arrangements may also be made with Italy and France. We recommend that a few young men should be selected and deputed by the Government of India for post-graduate study and research in foreign countries.

(i) *Assistance for securing machinery and equipment for the industry*—The industry is in need of accessory machinery, such as combined cocoon-reeling machinery from Japan, silk finishing plant, spun silk machinery and also silk throwing machinery. We recommend that Government should provide facilities for the import of such machinery.

30. Our conclusions and recommendations are summarised as follows:—

- (i) The Tariff Board inquiries of 1933 and 1938 and the Silk Panel Report of 1947 were confined to mulberry silk. At the public inquiry, it was agreed that any measure of protection that might be adopted for mulberry silk would be helpful to tassar, muga and eri silk as well. The scope of this inquiry has, therefore been confined to mulberry silk. (Para. 2).
- (ii) The demand for raw silk and silk fabrics has been estimated at 4 million lbs. and 5 million lbs. per annum respectively. (Paragraph 8).
- (iii) The estimated production of raw silk in 1948 (filature and charka) was 2,141,000 lbs. (Paragraph 9).
- (iv) The latest and the lowest landed cost of the imported Italian raw silk, 20/22 deniers, 'A' grade, is Rs. 17.0-0. (Paragraph 13).

- (v) The fair selling price of indigenous raw silk has been estimated by the Board at Rs. 31-12-0 per lb. (Paragraph 15).
- (vi) We recommend that the protective duty on raw silk, item 46 of the Tariff (excluding silk waste and noils), should be raised to 30 per cent. ad valorem *plus* Rs. 15-12-0 per lb. If at any time, the c.i.f. price of imported raw silk falls below Rs. 12-3-5 so as to render the scheme of protection ineffective, Section 4(1) of the Indian Tariff Act of 1934 should be invoked to raise the specific duty by a suitable amount. The existing duty of 30 per cent. ad valorem on silk waste and noils, item 46(1) of the tariff, should continue. (Paragraph 17).
- (vii) The present tariff item 47 should be split up into three items, *viz.*, 47—silk yarn including thrown silk warps, 47(1), yarn spun from waste silk, 47(2) yarn spun from noils. If this recommendation is accepted, the present tariff items 47(1), 47(2), 47(3), 47(4), 47(5), 47(6), 47(7), and 47(8) should be re-numbered as 47(3), 47(4), 47(5), 47(6), 47(7), 47(8), 47(9), and 47(10). (Paragraph 18).
- (viii) The same rate of duty should be levied on silk yarn (including thrown silk warps) as on raw silk, *viz.*, 30 per cent. ad valorem *plus* Rs. 15-12-0 per lb. (Paragraph 19).
- (ix) An ad valorem duty of 30 per cent. *plus* a specific duty of Rs. 4-8-0 per lb. should be levied on yarn spun from silk waste—proposed new tariff item 47(1). (Paragraph 20).
- (x) A duty of 30 per cent. ad valorem should be levied on noil yarns—proposed new item 47(2). (Paragraph 21).
- (xi) The existing rate of duty, *viz.*, 30 per cent. ad valorem should be continued on silk sewing thread—proposed new tariff item 47(3). (Paragraph 22).
- (xii) An ad valorem duty of 75 per cent. and a specific duty of Rs. 5-8-0 per lb. should be levied on pongee—tariff item 48(a). (Paragraph 24).
- (xiii) A protective duty of 30 per cent. ad valorem should be levied on fugi, boseki and corded—tariff item 48(b). (Paragraph 25).
- (xiv) An ad valorem duty of 75 per cent. and a specific duty of Rs. 4. per lb. should be levied on other silk fabrics covered by tariff item 48(c). (Paragraph 26).
- (xv) The proposed duties on the various items of raw silk, silk yarn and silk fabrics should remain in force until 31st March 1942. (Paragraph 27).

(xvi) Other forms of assistance recommended by us are :—provision of adequate funds and other facilities for sericultural research, a central seed station for foreign races of silk worms, enactment of suitable legislative measures for controlling silk worm diseases, introduction of compulsion by stages for the use of disease-free silk worm seeds, improvements in charka reeling to be effected by the sericultural Departments in the Provinces and States concerned, establishment of two more conditioning and testing houses for standardization and grading of silk, inclusion of the B.Sc. degree in sericulture as a course of study in the curriculum of the Universities situated in the sericultural Provinces, facilities to be provided by the Government of India for the training of experts in foreign countries and assistance to be rendered by the Central Government for securing machinery and equipment for the industry. (Paragraph 29).

31. We have to acknowledge the help we have received from the various associations and individuals who furnished us with information and gave evidence

Acknowledgments. before us. Our special thanks are due to the Government of Mysore for the hospitality which we received during our visit to the State. We are also thankful to a number of officers and non-official gentlemen in the State for their prompt and willing response to many requests for information. We also thank Mr. S. K. Chaudhuri, Officer on Special Duty (Silk Board), Government of India, Janab Shamsuddin Khan, Superintendent of Sericulture, Government of Mysore, and Mr. R. Sundaram, Board's Cost Accounts Officer, for the valuable assistance they gave us in connection with this inquiry.

G. L. MEHTA,
President.

H. L. DEY,
Member.

B. V. NARAYANASWAMY,
Member.

R. DORAI SWAMY,
Secretary.
Bombay, the 7th March, 1949.

APPENDIX I (*vide* para 1)

Government of India, Ministry of Commerce

New Delhi, the 10th April 1948.

RESOLUTION

TARIFFS

No. 134-T(19)|47.—In pursuance of paragraph 2 of their Resolution in the Department of Commerce No. 28-T(6)|46, dated the 20th January 1947, the Government of India have decided to refer to the Tariff Board for investigation the cases of the following industries which were established before the war and were granted tariff protection on the basis of recommendations made by previous Tariff Boards :—

- (i) Magnesium Chloride ;
- (ii) Sericulture ;
- (iii) Artificial Silk and Cotton and Artificial Silk mixed fabrics ;
- (iv) Silver thread and wire (including so called gold thread and wire mainly made of silver) and silver leaf including also imitation gold and silver thread and wire, lacetts and metallic sprangles and articles of a like nature, of whatever metal made, and fabrics containing gold or silver thread ; and
- (v) Sugar.

The protection in these cases which was extended from time to time has been continued for a further period of one year from the 1st April 1948 by the Protective Duties Continuation Act, 1948.

2. The Tariff Board is accordingly requested to examine in detail the question of protection enjoyed by the above mentioned industries and to report to the Government of India what protective measures, if any, should be continued after the 31st March 1949.

3. Firms and persons interested in any of these industries or in industries dependent on the use of these articles, who desire that their views should be considered by the Tariff Board, should address their representations direct to the Secretary to the Board, Contractor Building, Nicol Road, Ballard Estate, Bombay.

ORDER

ORDERED that a copy of this Resolution be communicated to all Provincial Governments, all Chief Commissioners, several ministries of the Government of India, etc.

ORDERED that a copy be communicated to the Government of Burma and Pakistan.

ORDERED also that it be published in the Gazette of India.

(S. RANGANATHAN),
Joint Secretary to the Government of India,

APPENDIX II(a) (*vide* para. 3).

INDIAN TARIFF BOARD

Sericultural Industry—Questionnaire.

1. Please give a brief history and indicate the extent of the industry with which you are concerned. In what areas is it carried on ? How many persons are (a) entirely, and (b) partly, dependent upon (i) silk worm rearing and (ii) reeling for their livelihood ?

2. What is the maximum production of (i) cocoons, and (ii) raw silk, attainable under the present organization ? Give the quantity and value of cocoons and raw silk produced annually since 1938.

3. What is the silk content of typical varieties of (i) Indian Cocoons and (ii) foreign cocoons, especially those from China and Japan ?

4. Which kind of silk worms are reared by you ? Describe in detail the process of rearing and the various stages from the laying of the egg to the completion of the cocoon.

5. What is your method of constructing and equipping a rearing house and what does it cost ? At what intervals do its various parts need renewal ? Since 1938, have you made any improvement in the construction and equipment of rearing houses ? Do you think any further improvement is necessary ? If so, why have those improvements not been undertaken ?

6. Please show in the following form the results given by each variety of worms reared :—

Race of variety	Number of days taken in rearing	Number of cocoons to a lb.	Length of filament	Denier

7. If your method of rearing worms differs from that followed (i) in other centres in India and (ii) in foreign countries, please explain the exact difference and state why you follow the present method.

8. Are the worms reared from local or from imported seed ? Is the production of seed organized separately from the production of cocoons ? If so, give full particulars of the organization and the cost per ounce of seed. If not what control is exercised over the selection of seed cocoons.

9. Are your worms univoltine, bivoltine or multivoltine ? If multivoltine, how many breeds are ordinarily raised in a year. What is the average number of worms produced from an ounce of seed. How many ounces of seed are on an average hatched in a year.

10. On what leaf are the worms fed ? If on mulberry leaves, state whether the mulberry is cultivated by the man who breeds the worms either on his own land or on leased land or by a man from whom the breeder buys the eggs. In either case, give full particulars of the cost of cultivation, both initial and recurring ; (For example, the cost of preparing an acre of land, the kind and quantity of manure used, the number of trees or bushes to the acre, the yield of leaf per tree or bush, and the average life of the tree or bush) ; the quantity of leaves required to feed the worms produced from an ounce of seed, and the cost of these leaves to breed them. If the worms are fed, on leaves other than mulberry, state what the leaves are; how they are obtained and at what price.

11. Please state (i) the price paid to the cultivator of mulberry by the breeder of worms, (ii) the cost of cultivating mulberry per acre on irrigated and unirrigated land.

12. What improvements have been made in the supply and quality of food for silk-worms since 1938 ?

13. What precautions are taken to protect the worms from diseases ? On an average, what percentage of the worms die before they form cocoons ?

14. Please state if the climatic conditions in your area are suitable for the development of sericulture. What is the average yield of cocoons per ounce of seed ?

15. Please state for each of the last three years (a) the total works expenditure incurred on the production of cocoons and (b) the works cost of producing cocoons from one ounce of seed under the following heads :—

- (i) cost of seed ;
- (ii) cost of labour ;
- (iii) cost of food for worms ;
- (iv) cost of appliances ;
- (v) other expenses ;
- (vi) total.

N.B.—If figures are not available for the whole of the area with which you are concerned, please give figures for that part of the area for which they can be compiled with accuracy. The total quantity produced for which costs are given should be stated.

16. What is the value of cocoons reeled and of those kept for production of seed ?

17. How much of the total production of raw silk is reeled by hand on charkha and how much by power driven machinery ? Give full description of each process and of each machine employed.

18. Please give the number of breeders of worms who retain their cocoons for reeling at home and of those who sell cocoons as such.

19. What is the average amount of waste per lb. of raw silk ? Please state whether your answer relates to silk reeled in a filature or to silk reeled by hand ; in the latter case, the method of hand-reeling should be specified.

20. What is the initial cost of the equipment commonly used for hand-reeling ? What output should it give ? How long does it last ?

21. Give for each of the last three years (i) the total works cost of reeling and (ii) the works cost of reeling one lb. of raw silk

- (a) by Charkha ;
- (b) by Mysore Domestic Basin or other basins, and
- (c) Filature,

under the following heads :—

- (a) cost of cocoons ;
- (b) cost of labour ;
- (c) cost of power, light and fuel ;
- (d) cost of water and soap ;
- (e) cost of repairs and maintenance ;
- (f) cost of supervision and management ;
- (g) selling expenses ;
- (h) other expenses ;
- (i) total.

22. Do you consider that filatures used in India are at a disadvantage as compared with those used in foreign countries in respect of any of these items of cost ?

23. Please state the maximum capacity of the filatures for which costs are given. Please state, for each of the last three years, the actual output of (a) raw silk and (b) waste.

24. What size do you consider a filature should be in order to ensure the most efficient and economical working ? Give an estimate of the capital required to establish such a filature.

25. What size of filature is generally considered to be economical in foreign countries ?

26. What is the total number of persons engaged in each branch of the sericultural industry during the last three years ? What is the strength of the labour employed in your filature ? What proportion of the labour is skilled ? How long does it take untrained labour to acquire the minimum skill necessary ? Please give the rate of the wages paid to reelers (a) working with charka, (b) with Mysore Domestic Basin or other basin and (c) in a filature.

27. How do the workers in the Indian Sericultural Industry compare with those in foreign countries, in respect of efficiency ?

28. What are the facilities for technical education of (a) rearers, (b) reelers, and (c) other skilled workers.

29. What are the various industrial uses of raw silk in India ?

30. Give an estimate of the total Indian demand and the total Indian production of raw silk at the present time.

31. Of the total quantity of raw silk and waste produced in each of the last three years, state the quantity used locally, the quantity sold for use in other parts of India and the quantity sold for export. Please give full particulars of the marketing methods adopted.

32. What is the present method of sorting and grading Indian Silk ? Can this method be improved ? If so, please give your suggestions.

33. What kinds of imported silk as classified in the Customs Tariff compete with the different kinds of Indian Silk ?

34. What kinds of imported silk are generally required by the handloom weavers.

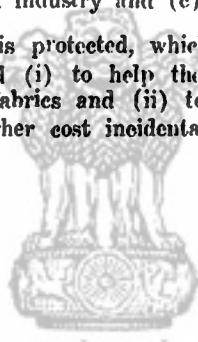
35. (a) How does the quality of the competitive varieties of imported raw silk compare with that of Indian silk in colour, in winding qualities and in other intrinsic merits ?

(b) How far is the difference in the prices of Indian and imported silk due to difference in quality and how far to other causes ?

36. What should be the amount, form and period of protection ? Please give reasons for your answer.

37. What is likely to be the effect of such protection upon (a) the silk textile industry, (b) the handloom industry and (c) any other industries ?

38. If sericultural industry is protected, which are the items of fabrics which will have to be protected (i) to help the sericultural industry from competition from manufactured fabrics and (ii) to compensate the indigenous manufactured fabrics for the higher cost incidental to the protection to their raw material.



APPENDIX II(b) (vide para. 3).*Supplementary questionnaire.*

1. How many persons are engaged in mulberry cultivation in your area?
2. How many pounds of green cocoons and how many pounds of dry cocoons will be required to produce one pound of raw silk?
3. Please state the prices paid by the consumer to the cultivation of alternative crops.
4. Please state cost of production of mulberry leaves per 100 acres.
5. Please state cost of production of alternative crops per acre.
6. If this information is not available, please state the production and consumption of raw silk in your area.



APPENDIX II(c) (*vide* para. 3).

INDIAN TARIFF BOARD

SERICULTURAL INDUSTRY

Questionnaire for the handloom industry.

1. Please state the total number of hand-loom weavers in your area. How many persons are engaged—

- (i) in weaving pure silk goods only ;
- (ii) in weaving cotton and silk mixed goods ;
- (iii) in weaving cotton and artificial silk mixed goods ; and
- (iv) in weaving cotton goods only ?

2. From what sources, indigenous and foreign, do the weavers obtain their raw materials, such as raw silk, silk yarn, spun silk, artificial silk yarn, gold thread ? If imported raw articles are used, please state the proportion in which they are used to the indigenous material.

3. Please state whether the following operations are generally performed by the weaver himself or some other agency—

- (i) twisting and winding ;
- (ii) boiling ;
- (iii) dyeing ;
- (iv) doubling and preparing the warp.

4. What kinds of silk are used for warp and for weft ?

5. Please state the main types of silk and mixed fabrics manufactured in your area. (Please give trade description, including the size of the fabric).

6. What is the approximate value of the total annual production of (i) pure silk fabrics, (ii) mixed fabrics ?

7. For what purposes is spun silk used ? Is its use restricted for particular kinds of cloth ?

8. Do the weavers get their silk from the merchants on credit ? If so, on what terms ?

9. How does the quality of Indian silk compare with that of the imported silk ?

10. Please state how the price of indigenous silk compares with that of the imported silk, quality for quality. (Please give price quotations for comparable qualities).

11. How has the introduction of artificial silk affected the market for real silk ?

12. What is the approximate cost of manufacturer per pound of typical classes of cloth under the following heads—

- (i) raw material ;
- (ii) twisting and winding charges ;
- (iii) dyeing charges ;
- (iv) weaving charges ;
- (v) cost of labour ;
- (vi) other charges.

How are the weavers paid—per day or per piece, and at what rates ?

13. Are there any co-operative societies to assist the weavers in procuring raw materials and marketing the finished products ? If so, what is the nature of assistance given ?

14. Where is the manufactured article sold ? Which are the principal markets in which the finished goods are sold ?

15. Is the demand for natural silk increasing or decreasing ?



APPENDIX II(d) (*vide* para. 3).

INDIAN TARIFF BOARD

Sericulture Industry—Questionnaire for Importers.

1. Which are the principal countries from which (i) raw silk, (ii) silk yarn, and (iii) artificial silk and silk fabrics are being imported at present ? From which source competition is likely to be serious in the next few years ?

2. Please state the pre-war and present landed costs and selling prices of (i) imported raw silk, (ii) imported silk yarn, and (iii) imported artificial silk and silk fabrics generally competing with Indian products. The figures should be given under the following heads :—

- (a) C.i.f. price ;
- (b) Customs duty (give also the rate of Customs Duty) ;
- (c) Clearing and other charges ;
- (d) Total landed cost ;
- (e) Selling price ;

(Please state what the usual importer's profit-margin is).

3. What do you estimate to be the probable trend of prices of raw silk during the next few years ?

4. What are the deniers of imported silk and what are the lines of imported silk goods which compete directly with silk manufactured in India ?

5. Do you consider that Indian silk is equal in quality and appearance to imported silk ? Does it command the same price ? If not, to what causes do you attribute the difference in the price ?

6. Do the conditions of manufacture in India differ materially from those in competing countries ? If so, what are the important differences ?

7. How far do you consider that the competition of the imported silk with the Indian silk is facilitated by greater attention being paid by the exporters to the requirements and preferences of Indian middlemen and consumers in regard to quality, finish and packing ?

8. Has there been any marked change in recent years in the quantity of silk imported into India from any of the foreign countries ?

9. Do the silk merchants who are importers sell direct to weavers or through retailers or brokers ?

10. Are there any signs of growing preference on the part of Indian consumers for the cheaper qualities of imported silk goods as compared with the indigenous articles.

11. Please state how far rayon yarn competes with Indian silk yarn.

12. Please state how far artificial silk fabrics compete with silk fabrics.

APPENDIX III (vide para. 3).

List of persons, firms and associations to whom questionnaires were issued and from whom replies or memoranda were received.

(*Those who sent replies to the questionnaire or memoranda)

PRODUCERS:—

- *1. Ali Rache Gowda, Charka Reeler, Surapuram Village, Kollegal Taluk.
- *2. Bombay Silk Filature Ltd., Modgi, Via, Belgaum, Belgaum.
3. Diwan Bahadur K. R. Srinivas Ayengar, Chamraja-pet, Bangalore City.
- *4. Kisan Silk Industries Ltd., Mellur, Sidleghatta Taluka, Mysore State.
- *5. Kanchappa, Charka Reeler, Kajji Hundu Village, Kollegal Taluk.
- *6. Manager, Spun Silk Mills, Chennapatna, Mysore.
- *7. M. K. Mallaraj, Village Munsif, Kunthur, Kollegal Taluk.
- *8. Mysore Silk Association, Hardinge Road, Bangalore City.
- *9. Mysore Silk Handloom Weavers' Association, Hanuman Bldgs., 319, Chickpet, Bangalore City.
- *10. Mysore Silk Filature T. Narasipur, Mysore District.
- *11. Mysore Raw Silk Merchants Association, Laxman Rao Road, Balepet, Bangalore City.
12. N. Divakaran, Textile Inspector, Nagerecoil, Travancore State, South India.
- *13. Secretary, Mysore Chamber of Commerce, Bangalore.
14. Silk & Art, Silk Mills' Association Ltd., Podar Chambers, Parsi Bazar St., Bombay.
- *15. Sarvamanya Silk Filatures, Ltd., Mysore South, Mysore.
16. Shree Rama Silk Mills Ltd., Shree Ram Bagh, P.O. Basavangudi, Bangalore City.
- *17. Siddappa, Charka Reeler, Kunthur, Kollegal Taluk.
- *18. S. V. Subramanya Iyer, Sericulturist, Tagarapuram, Kunthur Range, Kollegal Taluk.
19. Surat Chamber of Commerce, Surat.
- *20. Venkatasa Silk Mills, Peelamedu, P.O. Coimbatore.
21. V. M. Appadharji Mudaliar, No. 12, Officers Quarters M.H.M.O.I., Mysore.
22. Wholesale Lace & Silk Cloth Merchants' Association, Avenue Road, Bangalore.

IMPORTERS.

1. Bombay Import & Export Agency, Tamba Kanta, Bombay.
- *2. Gurukur M. Malapa, Silk Merchant, Mudigundam, Kollegal Taluk.
- *3. G. S. Veerappa, Silk Merchant, Mudigundam, Kollegal Taluk.
4. Indo Textile Agency, Tamba Kanta, Bombay.
5. Karanjia Bros., Ltd., New Silk Market, 17—19, Bomanji Master Road, Bombay.
- *6. Mahaliram Bajaj & Co., Importers, Exporters, Bankers & Commission Agent, 174, Harrison Road, Calcutta.
- *7. M. C. Subbappa, Silk Merchant, Mudigundam, Kollegal Taluk.

- *8. Nagindas Foolchand Chinai, Chinai Buildings, 79, Musjid Bunder Road, Mandvi P.O. B. No. 3218, Bombay 3.
- 9. Vasantlal Balubhai Reshamkalal, Silk Merchant & Broker, Haripura, Surat.
- 10. Vishinda Amarnath, Opp. Vithalwadi, Kalbadevi Road, Bombay.
- *11. Yarn Merchants' Association Ltd., Chawla Bldg., Thamba Kanta, Bombay 3.

CONSUMERS.

- *1. Bharat Silk Bhandar, Main Bazar, Bezwada.
- 2. B. Hari Prasad, No. 6, Venkatachala Naik, Tondiarpet, Madras 21.
- *3. C. K. Cheluviah, Silk Cloth Merchant, Kollegal.
- *4. Dunlop Rubber Co., (India) Ltd., Purchasing Depot, Dunlop House, 37-B, Free School St., P.O. Box No. 391, Calcutta.
- *5. Gudehowdiah, Silk Cloth Merchant, Kollegal.
- 6. Har Bhajan Singh, 92-A, Lachhman Chowk, Dehra Dun.
- 7. Lachhminarayan, Ashraf Katra, Delhi.
- 8. M. Krishna Murthy, B.Sc., C/o C. K. Shama Rao, Retd., Inspector of Police, T. Narsipur, Mysore.
- *9. Murugappa Mudaliar, Silk Cloth Manufacturer, Mettu St. Kancheepuram.
- *10. Mysore Silk Handloom Weavers' Association, Hanuman Bldgs., 319, Chickpet, Bangalore.
- 11. Nagappa Rudrappa Sapparappa, Merchant, Post Itkal, Distt. Bijapur.
- 12. Parshuramase Singari, Merchant, Post Guladagudda, Distt., Bijapur.
- *13. R. T. Kambale, Silk Merchants & Commission Agents, P.O. Bagalkot.

सन्यामेव जयने

OFFICIALS.

- *1. Deputy Director of Industries (Admn.), Patna, Bihar.
- 2. Director of Industries & Commerce, United Provinces, Kanpur.
- *3. Director of Industries, Madras.
- *4. Director of Sericulture (Ministry of Development), Kashmir & Jammu Govt., Srinagar, Kashmir.
- *5. Director of Industries, West Bengal, 7, Council House St., Calcutta.
- *6. Director of Industries, Govt. of C. P. & Berar, Nagpur.
- *7. Director of Industries, East Punjab, Simla.
- *8. Deputy Director of Sericulture & Weaving, Shillong, Assam.
- *9. Economic Adviser to the Govt. of Madras, Fort St. George, Madras.
- *10. Joint Registrar, Industrial Co-operation & Village Industries, 18, Queen's Garden, Poona.
- *11. Manager, Govt. Silk Filature, Kollegal, Madras Presidency.
- *12. Officer-in-charge, Central Sericultural Research Station Berhampore, West Bengal.
- *13. Superintendent, Dept. of Sericulture, Mysore State, Bangalore.

APPENDIX IV (*vide* para. 3).

List of persons who attended the public inquiry and were examined.

Producers :

1. Raja Sevaprasakta Navaratna	Representing	Mysore Silk Assn., B.C. CB Building, Hardinge Road, Bangalore City.
2. Mr. G. Krishnaswamy	..	..
3. Mr. R. Surya Narayan Rao	..	Mysore Silk Filatures Ltd., T. Narsipura, Mysore Dist.
4. Mr. W. D'silva	..	Mysore Spun Silk Mills Ltd., B.C.C.B. Bldg., Hardinge Road, Chamrajpet, Bangalore City.
5. Mr. T. L. Gangoli Rao	..	Mysore Raw Silk Merchants Association, Avenue Road, Bangalore City.
6. Mr. Adiramiah Setty	..	
7. Mr. M. N. V. Rao	..	Sarvamanya Silk Filatures, Mysore State, Mysore.
8. Mr. A. R. N. Swamy	..	
9. Mr. Y. H. Venkataravanappa	..	The Mysore Silk Throwers Association, Sowrastrapet, Bangalore City.
10. Mr. T. R. S. Sastry	..	Mysore Silk Mfrs. Assn., Jumma Masjid Road, Bangalore City,
11. Sri. N. G. Naik	..	and
12. Mr. M. Mudiah	..	Sri Rama Silk Mills Ltd., Sri Ram Baugh Basavangudi P.O. Bangalore City.
13. Mr. M. J. Vaidya	..	Charka Reeler Mamballi Yelandar Taluk, Mysore Dist.
14. Mr. L. J. Kripalani	..	Silk and Art Silk Mills Association, Podar Chambers Parsee Bazar Street, Fort Bombay.
15. Mr. S. G. Shastry	..	M. Madan & Co., Srinagar.
16. Mr. K. C. Biswas	..	Retired Director of Industries & Commerce, Mysore, Bangalore.
17. Mr. Hans Raj Haridas	..	Bengal Silk & Art Silk Mills Owners Association.
18. Mr. K. G. Kalwani	..	

Importers :

1. Mr. P. M. Chinai	..	..	..	..	M/s. Nagindas Foolchand Chinai, Chinai Bldgs., 79, Masjid Bunder Road, Mandvi Post No. 3218, Bombay 3.
2. Mr. J. C. Chinai	..	..	..	..
3. Mr. B. M. Chinai	..	..	..	..
4. Mr. S. L. Hemady	..	..	..	..
5. Mr. M. R. Barucha	..	..	..	..	The Yarn Merchants Assn., Chawla Bldg., Tambakanta, Bombay.
6. Mr. P. N. Shah	..	..	..	..
7. Mr. Mafatlal Nagindas Mehta	..	..	..	..	Govardhanas Nathalal, 35, Tamba Kanta, Bombay 3.
8. Mr. Ratilal Patel	..	..	..	..
9. Mr. Vasantlal Balubhai	..	..	..	..	M/s. C. Bulakidas & Co., Hanuman Bldg., Tamba Kanta, Bombay.
10. Mr. S. M. Parekh	..	..	..	..
11. Mr. P. C. Bhatt	..	..	..	..	Vasantlal Balubhai, Haripura, Surat.
12. Mr. K. L. Dhir	..	..	..	..	Gandhi Parekh Investment Corporation Ltd., Alice Bldg., Hornby Road, Fort, Bombay.
					P. Parbhulal & Co., Ltd., Whitesaway Laidlaw Bldg., 2nd Floor, Hornby Road, Fort, Bombay.
					Bhimamal Amarnath, Hanuman Bldg., Tamba Kanta, Bombay.

Handloom Weavers :

1. Sri N. C. Narayanaswamy Chetty } Representing Mysore Silk Handloom Weavers Association,
 2. Sri K. R. Rajagopalachar } Bangalore City.

Officials :

1. Janab K. Shamsuddin Khan	..	}	"	Department of Sericulture, Bangalore
2. Mr. T. K. Krishnamurthy	..	}	"	Govt. Silk Filatures, Kollegal, Madras.
3. Mr. Janakiraman	..	"	"	Director of Industries, West Bengal.
4. Mr. D. N. Ghosh	..	}	"	Central Sericultural Research Station Berhampur, W. Bengal.
5. Mr. S. R. Sen	..	"	"	Industrial Co-operation & Village Industries, Poona, Bombay.
6. Dr. Chowdhury	..	}	"	Directorate General of I. & S., New Delhi.
7. Mr. D. G. Sarkar	..	}	"	Director of Sericulture & Weaving, Assam.
8. Mr. D. N. Savkar	..	}	"	Director of Sericulture, Ministry of Development, Srinagar, Kashmir.
9. Mr. A. K. Poovaya	..	"	"	
10. Mr. S. K. Chowdhuri	..	"	"	
11. Mr. R. Sarma	..	"	"	
12. Mr. T. G. Wazir	..	}	"	
13. Mr. S. Bodam	..	"	"	



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APPENDIX V(a) (Vide Para 11).
Total Imports of Raw Silk and Cocoons.
(a) Quantity in thousand lbs.

Origin of Import	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending Sept. '48)
U. K. (Including Channel Islands)	..	..	64.18	0.54	..	2.01	..	..	..	..	..	..	..
Ceylon ..	..	..	..	0.77	..	..	..	..	..	..	..	..	Do.
Burma ..	..	..	93.64	417.64	2.85	0.78	22.28	..	..	..	..	..	Do.
Hong Kong ..	..	84.79	88.77	222.75	643.20	90.38	150.35	..	..	..	..	..	Do.
France ..	0.35	0.61	0.54	0.51	0.04	..	..	..	..	..	..	..	Do.
Iran ..	..	..	..	..	..	..	..	..	..	..	..	..	Do.
Switzerland ..	..	..	5.63	..	..	..	..	..	..	..	..	..	Do.
Italy (incl. Fiume)	..	11.77	44.00	..	..	..	..	..	..	..	..	..	Do.
Hungary ..	..	6.41	..	..	..	..	..	..	..	..	..	..	Do.
Spain ..	..	..	..	..	..	..	..	..	..	..	..	..	Do.
Japan ..	1,073.77	1,405.44	274.00	..	200.77	9.39	..	..	..	..	..	..	168.77
China excluding Hong Kong & Macao.	815.58	928.74	1,218.91	1,372.50	1,398.56	699.47	20.61	..	..	..	..	..	600.13
Other Countries ..	..	..	..	..	..	..	..	..	..	..	..	..	Do.
Total ..	1,974.49	2,535.28	2,247.55	2,020.37	1,690.53	1,580.26	20.61	1.60	..	..	..	..	768.90
													1,092.96

Note.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(a)—contd.
Total Imports of Raw Silk and Cocoons—contd.

(b) *Value in Thousand Rs.*

Origin of Import.	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending Sept. '48)	Information Country- wise not available.
U.K. (Including Channel Islands),	..	..	176.28	0.59	..	6.10	..	..	..	..	..	..	..	Do.
Ceylon (incl. Maldiv- es),	..	..	..	1.60	..	..	..	..	..	..	..	..	..	Do.
Burma ..	..	272.89	948.51	16.87	1.11	207.92	..	..	..	..	..	..	..	Do.
Hongkong ..	164.95	296.57	561.77	2,066.68	333.19	1,768.64	..	26.43	..	..	..	..	..	Do.
France ..	10.37	18.54	17.48	14.49	1.16	..	..	..	..	..	..	..	..	Do.
Iran ..	..	..	..	..	..	..	..	787.35	..	..	..	..	..	Do.
Switzerland ..	..	..	10.47	..	..	..	..	..	..	..	..	..	..	Do.
Italy ..	..	22.72	81.41	..	..	..	..	..	..	..	..	..	..	Do.
Hungary ..	..	23.45	..	..	..	..	..	..	..	..	..	..	..	Do.
Spain ..	..	..	..	..	..	..	..	..	..	..	..	..	..	Do.
Japan ..	3,627.81	5,724.16	1,174.73	0.03	1,248.82	64.75	..	..	..	..	..	..	..	Do.
China (excluding Hong Kong & Macao),	2,638.42	3,108.94	3,226.70	4,173.03	5,892.10	5,262.83	173.60	..	..	..	..	16,510.81	..	Do.
Other countries ..	..	..	..	..	..	..	..	..	..	..	..	5,162.70	..	Do.
Total ..	6,441.55	9,467.26	6,217.35	6,272.19	7,576.44	8,087.49	173.60	25.43	..	..	..	21,673.51	15,940.28	18,470.05

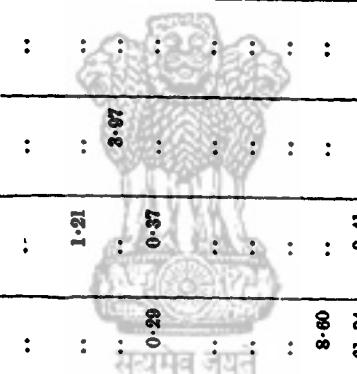
Note.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(b).

Imports of Silk Yarn (Made from Silk Waste).

Origin of import.	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48 (6 months ending Sept. 48.)	1948-49
(a) Quantity in Thousand lbs.													
U. K. (including Channel Islands).	18.75	1.06	..	..	..	..	..	..	..	..	..	..	..
State Settlements.	..	..	..	..	..	..	..	..	..	..	..	..	..
Hong Kong	10.62	..	..	..	..	..	..	..	..	..	..	..	..
Other British Pos- sessions.	0.05	0.20	..	..	..	..	..	..	..	..	..	..	..
Germany	..	..	4.99	..	..	..	..	..	..	..	..	..	..
France	..	..	..	..	2.64	..	..	..	..	..	..	..	..
Switzerland	..	..	3.40	45.09	..	..	..	..	..	..	..	..	..
Italy	..	289.15	177.53	101.68	8.60	..	..	..	..	..	..	..	..
Japan	..	1,075.97	208.42	130.44	61.84	8.41	..	..	..	..	..	..	..
China (excluding Hong Kong & Macao).	..	189.76	73.83	209.26	234.35	141.17	..	..	..	..	..	..	..
Total	..	1,584.30	559.43	489.11	305.08	151.16	3.97	..	..	..	44.33	19.80	N.D.

(b) Quantities not available.



Chittagong
Hong Kong &
Macao.

(6) Value in thousand rupees.	Information countrywise not available.										N.H.
	Information countrywise available.										
U.K. (including Channel Islands), Straits Settlements	44.10	2.65	..	..	..	..	..	..	..	..	..
Hong Kong	22.23	..	..	..	..	..	..	..	..	..	..
Other British Pos- sessions.	0.25	0.40	..	..	0.75	0.35	..	..	..	..	..
Germany	..	..	13.82	..	..	..	..	..	..	..	..
France	..	..	..	9.13	..	..	..	..	..	..	..
Switzerland	..	..	9.30	149.35	..	..	..	..	..	..	..
Italy	..	..	657.96	449.72	244.30	37.91	..	..	..	..	..
Japan	..	..	3,001.57	321.82	619.27	293.92	62.55	..	..	..	..
China (excluding Hong Kong & Macao).	..	..	535.78	219.74	684.33	385.01	723.97	..	..	..	..
Total	..	4,261.84	1,617.25	1,605.38	1,317.59	783.77	22.53	..	..	1,255.23	384.12

Note.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(c).

Imports of Silk Yarn (Made from Silk Nools).

	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45 1/4	1945-46 1/4	1946-47 1/4	1947-48 1/4	1948-49
(a) Quantity in thousand lbs.													
L.M.													
U.K. (incl. Channel Islands).	0.06	0.27	..	..	..	..	..	..	..	..
Hongkong	..	1.40	5.00	..	..	..	..	..	..	..	..	..	..
Beijing	..	3.37	10.35	15.73	..	..	..	..	..	..	..	..	..
France	..	0.62	..	1.54	..	..	..	..	..	..	..	..	..
Italy	10.71	..	..	..	..	..	..	..	..	..	..
Japan	..	449.32	22.43	0.53	..	..	..	..	..	..	..	..	..
China (excl. Hongkong & Macao).	..	14.00	212.00	276.28	219.66	176.40	9.06	..	..	..	..	..	..
Other Foreign Countries.
Total	..	474.91	261.49	294.14	219.93	176.40	9.06	..	..	..	..	..	..

(b) Value in thousand rupees.

	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45 1/4	1945-46 1/4	1946-47 1/4	1947-48 1/4	1948-49
L.M.													
Nil.													
U.K. (incl. Channel Islands).	0.06	0.33	..	..	..	..	..	..	..	..
Hongkong	..	1.43	5.36	..	..	..	..	..	..	..	..	..	..
Beijing	..	6.78	15.70	23.67	..	..	..	..	..	..	..	..	..

Information countrywise not available.

* (6 months ending September '48).

NOTE.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(d)
Total Imports of Silk Piecegoods.
(a) Quantity in thousand yards.

Origin of Import	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending (Sept. 48).
	22.29	19.22	7.47	6.95	7.13	6.31	0.76	0.05	0.06	0.02	0.02	0.02	0.02
U. K. ..	22.29	19.22	7.47	6.95	7.13	6.31	0.76	0.05	0.06	0.02	0.02	0.02	0.02
Aden and Dependencies.	2.02	74.89	191.70	55.80	16.59	..	..	..	..	..	..	..	..
Ceylon ..	21.98	15.73	49.18	380.06	40.68	3.16	..	..	..	..	..	..	..
Burma ..	15.72	29.80	13.08	14.44	2.03	..	..	..	..	..	..	..	..
Australia	..	..	..	..	..	..	..	..	..	..	..	..	..
Straits Settlements	07.44	284.27	251.60	17.87	180.73	3.17	..	..	..	..	..	..	..
Hongkong ..	1,834.24	582.80	461.67	671.82	829.32	422.05	4.72	..	..	..	..	..	188.15
Other British Possessions.	10.01	4.94	0.04	..	..	..	..	..	..	..	..	..	..
Commonwealth of Australia.	..	..	..	..	..	..	..	..	..	..	..	..	..
Italy ..	0.91	7.96	3.69	0.81	..	..	..	..	..	..	..	..	..
Germany ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Saudi Arabia ..	5.76	14.43	8.17	6.21	0.60	..	..	..	..	..	..	..	2.44
France ..	..	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland ..	24.10	34.22	13.35	9.96	..	2.29	..	..	..	..	..	..	..
Malakat Territory & Trucial Oman.	37.00	112.54	19.68	..	..	..	..	..	..	..	..	..	..
Iraq ..	3.48	0.01	..	6.26	..	..	..	..	..	..	..	..	..
Japan ..	16,171.61	18,715.39	11,800.91	4,920.93	2,804.99	1,504.62	2.45	..	..	..	..	..	..
China (Excluding Hongkong and Macao).	3,260.20	3,005.54	3,722.59	3,023.05	1,971.96	1,692.35	0.56	..	0.04	..	..	..	..
U.S.A. ..	..	..	276.00	..	..	..	..	..	..	..	..	..	..
Egypt ..	1.73	0.76	7.40	8.36	0.94	3.57	..	..	1.88	..	..	..	..
Other Foreign Countries.	..	..	..	..	..	..	..	..	..	..	..	..	..
Total ..	21,562.76	22,868.42	16,873.05	9,121.16	5,867.38	3,640.05	8.51	8.73	1.07	52.99	811.31	1,271.45	33.70

Norm.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(d)—*contd.*
Total Imports of Silk Piecogoods.—*contd.*

(b) *Value in thousand rupees.*

Origin of import	1938-39	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending (Sept. 48)	Information country- wise not available. ..
	1938-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending (Sept. 48)	
U. K. ..	61.83	39.42	17.44	17.64	13.46	19.22	5.35	8.96	1.68	495.69	760.92	..	..	..
Aden and Depend- encies.	0.76	23.96	80.11	16.19	9.63	..	..	..	..	..	..	..	..	..
Ceylon ..	8.64	6.73	14.43	103.46	29.99	3.39	..	1.05	0.15	..	..	..	..	..
Burma ..	..	9.14	33.22	9.15	17.01	3.03	..	..	..	..	..	..	..	..
Australia ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Strait Settlements	21.25	83.17	102.66	14.85	73.99	1.45	..	..	..	..	..	..	..	..
Hongkong ..	467.43	190.17	168.22	281.98	427.81	341.40	3.23	..	..	..	..	405.87	..	..
Other British Pos- sessions.	3.85	1.37	0.07	..	..	..	..	..	..	..	..	..	..	..
Commonwealth of Australia.	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Italy ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Germany ..	1.91	11.23	11.47	2.32	..	..	..	..	..	..	..	..	..	..
Saudi Arabia ..	..	17.19	14.67	14.23	2.08	..	..	..	..	..	..	..	..	..
France ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Switzerland ..	39.09	71.21	30.58	17.10	..	4.09	..	..	..	..	..	2.17	..	..
Malakut Territory & Trucial Oman.	14.80	48.50	9.50	..	..	..	..	..	..	..	..	..	..	..
Iraq ..	4.53	0.01	4,502.17	10.74	..	..	..	..	..	..	..	..	..	..
Japan ..	6,288.49	7,306.25	1,690.48	3,070.68	2,139.57	1,391.44	3.71	..	..	..	..	..	..	..
China (Ex. Hong- kong & Macao).	1,200.97	1,176.28	..	1,866.48	1,368.80	1,586.05	1.25	..	..	..	..	..	..	..
U.S.A. ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Egypt ..	0.02	..	59.40	8.34	..	..	..	..	..	..	..	..	..	..
Other Foreign Countries.	1.21	2.48	10.60	..	2.65	4.81	..	..	2.84	..	..	..	..	..
Total ..	8,121.56	8,987.11	6,745.11	5,433.16	4,034.69	3,334.83	13.54	12.85	6.21	502.24	4,678.10	5,338.16	133.08	..

NOTE.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(e)

Imports of Silk Fabrics mixed with other Materials.

(a) *Quantity in thousand yds.*

Origin of import	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending Sept. 48.)
U. K. (including Channel Islands, Aden and Depend- encies, Gibraltar, including M. J. Favas),	110.98	24.88	18.69	23.42	41.65	54.24	8.43	0.64	..	2.01	16.40	12.31	Information otherwise not avail- able. ..
Barbados	..	17.50	122.78	33.96	18.79	..	..	..	..	..	..	..	..
St. Lucia	135.65	7.04	26.62	65.07	68.84	24.91	1.31	..	..	..	..	..	..
Barbados	..	13.96	8.98	5.56	..	..	..	..	..	..	..	..	..
St. Kitts-Nevis	31.10	73.77	120.32	118.14	7.41	0.61	..	..	..	..	..	..	..
Hong Kong	0.71	3.50	10.16	0.16	16.41	0.02	..	..	..	..	..	6.03	..
Other British Pos- sessions	1.30	0.01	..	..	..	..	..	..	..	..	..	..	..
Poland (including Germany)	..	1.35	0.17	0.63	..	..	..	..	..	..	..	..	..
Germany	238.87	223.01	107.57	37.94	0.56	..	..	..	..	..	..	..	..
France	22.64	24.93	36.25	42.80	17.04	0.20	..	..	..	..	0.60	..	..
Switzerland	14.52	13.30	19.92	31.65	8.72	8.44	..	..	..	..	42.13	12.36	..
Italy (including Pugno)	4.95	19.42	10.40	7.01	1.71	..	..	..	..	..	..	..	..
Iraq	0.09	0.30	3.756.29	2.742.36	2.324.84	261.32	..	..	..	0.46	1,178.44	3,140.43	..
Japan	5,086.65	6,006.41	5,030.60	5,030.60	1,238.77	1,085.36	..	..	0.23	..	..	..	..
China (excluding Hongkong & Macao)	535.35	533.82	..	..	..	..	..	..	..	..	..	..	..
U.S.A. ¹	0.57	8.46	0.04	..	..	1.20	..	0.10	0.35	..	..	1.72	..
Other Foreign Countries	..	..	..	..	..	0.43	..	..	..	..	..	..	..
Total	6,232.05	7,031.66	6,888.79	8,140.79	3,742.73	1,436.73	9.74	0.74	0.58	2.47	1,236.57	3,173.45	1,460.53

NOTE.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX V(e).—contd.
Imports of Silk Fabrics mixed with other materials—contd.

(b) *Value in thousand rupees.*

Origin of import.	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49 (6 months ending Sept. 48).
U. K. (including Channel Islands).	145.71	38.87	29.10	27.47	58.57	105.03	23.71	2.29	..	21.50	115.55	71.07	Information countrywise not avail- able.
Aden and Depen- dencies.	5.94	56.99	16.79	11.54	..	..	..	..	..	..	..	..	..
Ceylon (excluding Maldives).	45.55	3.29	13.67	27.92	29.47	10.49	1.52	..	..	..	..	..	..
Burma.	13.44	1.37	4.19	..	..	..	..	..	..	..	..	..	..
Straits Settlements	13.85	38.53	58.92	68.64	2.61	0.93	..	..	..	..	..	..	..
Hongkong	0.45	2.51	5.24	0.08	12.00	0.06	..	..	..	..	..	14.03	..
Other British Possessions.	0.40	..	..	..	..	..	..	..	..	..	..	..	..
Poland (including Danzzig).	..	5.72	0.74	1.94	..	..	..	..	..	..	..	..	..
Germany	251.72	286.55	144.06	49.36	1.12	..	..	..	..	..	..	..	..
France	118.25	97.40	88.32	118.80	22.86	0.70	..	..	..	..	..	..	..
Switzerland	25.49	24.19	32.28	48.57	18.52	19.50	..	..	..	..	..	..	..
Italy (including Fiume).	9.80	22.38	15.88	12.85	2.20	..	..	..	..	..	..	..	..
Iraq	..	0.06	0.22	..	..	..	..	..	..	..	..	..	..
Japan	2,417.33	2,890.38	1,702.17	1,437.94	1,197.05	167.85	..	..	..	..	..	..	..
China (excluding Hongkong & Macao).	339.35	333.04	851.22	2,134.28	756.03	1,336.55	..	..	0.70	..	6,638.00	8,103.44	..
U.S.A.	..	1.57	7.48	0.14	..	..	..	..	0.39	1.75	2.18	..	6.21
Other Foreign Countries.	..	..	..	..	..	..	..	..	..	..	..	..	..
Total	..	3,339.93	2,789.94	3,090.70	3,948.81	2,111.97	1,646.78	25.23	2.68	2.46	23.68	7,007.73	8,294.45
													3,710.55

APPENDIX V(f)

Imports of Threads for Sewing.

(a) *Quantity in thousands of lbs.*

	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47	1947-48	1948-49*
U. K. (including Channel Islands).	2.51	1.45	1.55	2.37	1.41	2.10	0.81	0.07	Information	countrywise	not available.	..	..
Other British Pos- sessions.	0.06	0.13	..	..	0.76	0.35	..	..	..	..	..	..	..
China (excluding of Hongkong & Macao).	0.80	0.24	1.55	2.03	0.81	..	..	..	..	..	..	..	..
Other Foreign Countries.	0.05	..	..	..	..	..	..	..	..	..	..	..	..
Total	..	3.42	1.92	3.24	4.40	2.98	2.45	0.81	0.07	0.02	0.04	3.86	0.49

(b) *Value in thousand rupees.*

	34.12	32.95	25.66	16.46	13.16	12.15	8.61	2.84	Information	countrywise	not available.	..	..
U. K. (including Channel Islands).	0.49	0.59	..	..	1.27	1.33	..	..	..	..	..	..	..
Other British Possessions.	2.08	0.75	2.48	5.14	1.19	..	..	..	..	..	..	..	..
China (excluding of Hongkong & Macao).	0.13	..	0.02	0.02	..	..	..	..	..	..	..	..	..
Other Foreign Countries.	..	36.82	34.19	28.16	21.62	15.62	13.48	8.61	2.84	0.35	3.32	14.43	0.01

* (6 months ending September '48).

Note.—From 1st March, 1948, these figures exclude the direct foreign trade of Pakistan.

APPENDIX VI (Vide Para 13).

Statement showing the break-up of landed costs into C.I.F., Customs Duty and Clearing Charges of raw silk 20/22D.

Serial No.	Source of information.	Origin of import.	Date of import.	Type and specification.	C. I. F.	Customs duty.	Clearing charges.	Landed costs.	Remarks.
1	Nagindas Foolchand Chinai, Bum-bay.	Italy	.. 27-3-48	Yellow 20/22 D	..	11 15 3	4 10 9	0 3 9	16 13 9
		Do.	March 1948	Yellow 20/22 D "A" Grade	12 0 0	4 10 5	0 2 9	16 13 2	
		Japan	.. Do.	White 20/22 D "D" Grade	8 5 3	3 8 9	0 2 3	12 0 3	
		China	.. Do.	Do.	14 3 0	5 4 9	0 2 9	19 10 6	
2	Collector of Customs, Bombay ..	Italy	.. 16-7-48	20/22 D 'A' Grade	..	12 3 5	..	..	..
		Do.	.. 9-8-48	Do.	..	12 3 5	..	..	..
		Do.	.. 12-8-48	Do.	..	12 3 5	..	..	..
3	Collector of Customs, Calcutta ..	Do.	.. June 1948	20/22 D 85% evenness	..	11 8 0	..	..	..

APPENDIX VI.—*contd.*

Statement showing the break-up of landed costs into C.I.F., Customs Duty and Clearing Charges of raw silk 20/22 D.

Serial No.	Source of information.	Origin of import.	Date of import.	Type and specification.	C. I. F.	Customs duty.	Clearing charges.	Landed costs.	Remarks.	
									Rs. A. P.	Rs. A. P.
*1	Negindas Foolchand, Chinai, Bombay.	Italy	..	Quotation dt. 23.11.48	Yellow 'A' Grade 20/22 D	14 11 6	..	..	..	..
*2	Yarn Merchants' Association, Bombay.	Do.	..	Quotation Nov. 48.	Do.	15 2 2	..	..	..	..
*3	Do.	Do.	..	Do.	Do.	15 0 0	..	..	..	..
*4	Bhimamal Anamath, Bombay	Do.	26 Nov. 48	Do.	Do.	11 7 5	..	..	..	..
*5	Negindas Foolchand, Chinai	Shanghai	..	20/22 D	..	21 0 9	..	..	..	..
*6	India Supply Commission, London	Italy	..	20/22 D fineness 80% October quotation.	..	13 0 1	..	..	..	..
*7	Indian Embassy, Tokyo	Japan	..	Nov. 48	Do.	20/22 D fineness 92%	..	17 0 9	..	..
				..	Do.	20/22 D	..	18 10 1	..	..

* The C. I. F. prices refer only to quotations received by the respective parties and not to actual imports.



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